



**INTER-AMERICAN FOUNDATION**

EMPOWERED COMMUNITIES, SUSTAINABLE RESULTS



# CONGRESSIONAL BUDGET JUSTIFICATION

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## FISCAL YEAR **2022**

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# 1 | Summary Justification

The President is requesting \$38 million for fiscal year (FY) 2022 for the Inter-American Foundation to support over 330 community-led development projects in 27 Latin American and Caribbean countries, including activities to address the devastating impacts of COVID-19 and root causes of migration in the region.

In FY 2022, the IAF will serve U.S. national interests and advance U.S. strategic priorities by responding to the needs of underserved communities in the hemisphere, including: addressing root causes of irregular migration from Central America, promoting inclusive economic prosperity, reducing food insecurity, combating corruption through civic engagement, engaging communities in preventing violence and crime, integrating displaced Venezuelans, building resilience to natural disasters, and sustainably managing natural resources.

The following subsections will demonstrate how the IAF serves U.S. interests, delivers results, provides a cost-effective approach, complements other U.S. government development efforts, and promotes economic and social inclusion of historically marginalized populations. These subsections are followed by the President's Request.

## The IAF Serves U.S. Interests

The Inter-American Foundation is an independent U.S. foreign assistance agency that directly invests in community-led development across Latin America and the Caribbean. The agency engages local leaders, innovators, and entrepreneurs in underserved areas to make their communities more prosperous, peaceful, and democratic. The IAF awards small grants to community-based grassroots organizations, civil society organizations, and both nascent and established associations and networks that foster grassroots development, with an average investment of \$300,000 over four years.

IAF grants:

1. **Expand economic opportunities** through investments in sustainable smallholder agriculture, job skills training, access to credit, microenterprise and small-business growth, production, connectivity and technology, and market access;
2. **Enhance peace and security** by strengthening communities' social cohesion to address transnational crime, violence, unemployment, and irregular migration and create economic opportunities that improve their safety;
3. **Strengthen democratic governance** and combat corruption by improving the capacity of local civil society to engage constructively with public officials, oversee the use of public funds, bolster accountability, and protect human rights—particularly among vulnerable populations; and
4. **Unlock private, public, and community resources** for grassroots development through financial and programmatic partnerships.

The IAF's investments in Latin America and the Caribbean serve U.S. interests by:

- **Creating alternatives to irregular migration, the drug trade, crime, and violence in vulnerable places.** IAF grants promote inclusive economic opportunities, good governance, and peace and security in communities plagued by drivers of migration such as poverty, unemployment, corruption, illicit economies, food insecurity and malnutrition,



and environmental pressures like drought.

- **Building stronger, more democratic allies.** The IAF works to improve the quality of democracy in the region by strengthening civil society. The agency supports grantees' efforts to participate in civic life, constructively engage local officials, defend human rights, promote transparency and inclusion, and hold their governments accountable to the law and democratic processes.
- **Rapidly addressing emerging crises.** The IAF model allows the agency to shift resources promptly toward emerging areas of U.S. concern. For example, in response to the COVID-19 pandemic crisis, the IAF provided \$21.7 million in funding to over 150 local organizations in remote and underserved areas. This enabled them to provide food, sanitary supplies, locally-sourced protective equipment, accurate public health information, and critical digital connectivity to help keep communities healthy and safe. It also enabled small private enterprises to survive, pivot, and support recovery efforts.
- **Building resilience to natural disasters.** By strengthening organizations and their ability to plan for crises, the IAF fosters resilience across the region. In response to a recent series of natural disasters in the Eastern and Southern Caribbean, the IAF also deployed new funding to local organizations to support community-level resilience. To further support these efforts, the IAF and the U.S. Agency for International Development (USAID) launched a joint initiative, Building Community Resilience in the Eastern and Southern Caribbean, to enhance communities' ability to prepare for and recover from disasters.
- **Supporting human dignity and human rights for marginalized communities.** The IAF targets funding for organizations that promote human rights and support inclusivity, including for Indigenous people, people of African descent, women, LGBTQI+ people, youth, and people with disabilities.
- **Improving public opinion of the United States.** IAF investments to date have created a dynamic network of grassroots organizations throughout the region positively disposed to the United States. More than 70% of IAF grantees independently surveyed by the Center for Effective Philanthropy in 2020 had improved or greatly improved their opinion of the United States as a result of working with the IAF.<sup>1</sup>
- **Preparing IAF grantees to do business with U.S. and other international markets.** The IAF helps scale the capabilities of small businesses and social enterprises to access new markets, export goods and services, and do business with the United States. For example, with IAF funding to industrialize and market their products, the El Ceibo chocolate company (Bolivia) now sells in U.S. supermarkets, and the Cosurca Coffee Cooperative (Colombia) exports to the United States and Europe.
- **Fostering an enabling ecosystem to increase local ownership of development by strengthening community-focused philanthropy in Latin America and the Caribbean.** For example, the IAF's joint investment of \$2.67 million in Mexican community foundations with the Charles Stewart Mott Foundation has mobilized an additional \$10.67 million—97% Mexican in origin—benefiting 180 grassroots organizations serving 30,000 people. This is driving more local and private resources towards grassroots development and engaging communities in designing local development solutions. With a \$1.5 million IAF impact investment, Empresa para el Desarrollo, a microfinance lender representing approximately 70 community credit associations, is extending access to credit to an additional 3,500 small and microenterprises in Costa Rica and Panama.



## The IAF Delivers Results

More than 2.3 million people benefitted from the IAF's 330 grants active in 26 countries in FY 2020. Of these grants, 74% advanced economic opportunity and prosperity, 52% strengthened civic engagement for better governance and accountability, and 24% improved peace and security.

Of grants closing in FY 2020, 77% met or exceeded outcome goals specified for each project.

For more on results, see Section 2: [FY 2020 Accomplishments](#).

**50 Years of Impact:** In December 2019, the IAF celebrated 50 years of propelling grassroots development. Since its creation by Congress in 1969, the IAF has supported more than 5,400 grantee organizations in 32 countries, improving living conditions for hundreds of thousands of families throughout the region. Together with grantees, we have piloted cost-effective, participatory models for social and economic development. The IAF's knowledge-sharing exchanges among grantees have created an enabling environment for disseminating field-based innovations.

Over time, the IAF's model of funding local organizations and community-driven initiatives, rather than individuals or international organizations, has come to be recognized as a development best practice.

By responding to grantees' innovations, the IAF has consistently been on the forefront of funding trends with milestones such as the following:

- **Funding one of the world's first microcredit programs**, based in Brazil, almost a decade before Bangladesh's Grameen Bank popularized the idea of microfinance for community development.
- **Investing in African-descendent organizations and networks.** The IAF was an early international funder of African-descendent organizations in the 1970s. Our grantees advocated for the inclusion of African descendants in the censuses of various countries including Uruguay, Paraguay, Brazil, Argentina, and Peru.
- **Developing a vanguard membership organization of Latin American corporate foundations**, RedEAmérica, that have moved beyond basic charity to become a regional leader in channeling private sector investment into community-driven development projects.
- **Leading the international development field in partnering with U.S.-based diaspora organizations** to leverage funds for development in their countries of origin.

## The IAF Provides a Cost-Effective Approach

IAF small grants are high-impact, cost-effective catalysts for positive change that effectively leverage local, private, and philanthropic resources for development. The IAF continues to steward U.S. taxpayers' dollars responsibly, delivering development assistance that is smart and highly cost-effective by:

- **Leveraging matching resources from grantees.** The IAF requires grantees to contribute or mobilize their own cash or in-kind resources from their community, local private sector, philanthropic organizations, and their governments. This prepares them to sustain and grow their efforts beyond the IAF's support—and to be included in the economic and democratic progress of their countries. Over the last five years, **each dollar invested by the IAF leveraged on average \$1.26** from grantees, multiplying the IAF's impact and

ensuring community ownership.

- **Keeping our costs low.** The IAF maintains low implementation costs—just 9%—by requiring counterpart investment from grantees and shared services for many administrative and operational functions. With just 50 staff based in Washington, D.C., the agency currently manages a portfolio of more than 330 active, multi-year grants in 26 countries, while considering more than 1,000 proposals and funding approximately 200 new or continuing grants per year.
- **Scaling our reach via public-private partnerships.** The IAF actively collaborates with the private sector—corporate and philanthropic—in joint funding initiatives. The agency is expanding its network of private-sector partners to scale its reach and impact. For example, the IAF recently launched a three-year partnership with Danone to revive economic activity in communities severely affected by the COVID-19 pandemic. Danone Argentina and the Danone Ecosystem Fund are contributing \$1.70 for every \$1 the IAF invests to create jobs and improve recycling in 35 cities in Argentina.
- **Ensuring accountability and results.** The IAF holds grantees accountable for using U.S. public funds responsibly and for successfully implementing their grants through robust oversight, regular audits, independent data verification, and progress reporting. The agency requires grantees to track and report their progress, lessons learned, and results every six months during the life of the grant.

## The IAF Complements Other U.S. Government Development Efforts

The IAF's broad networks, direct connection to civil society, deep knowledge of local contexts, and specialized expertise directly complement other U.S. development efforts by:

- **Strengthening U.S. development efforts at the community level.** The IAF is focused on strengthening incipient local organizations (civil society organizations, grassroots groups, and social enterprises) that are often too small, underdeveloped, or remote to work with larger agencies and donors.
- **Creating direct access to civil society without third-party intermediaries.** The IAF's relationship with partner organizations is direct, fluid, and dynamic throughout the period of the grant and beyond. This high-touch, responsive approach provides oversight that promotes efficiency and increases grantees' chances of success. **None of the IAF's funds go to intermediaries, implementers, or government entities.**
- **Maintaining U.S. presence.** The IAF's direct relationship with civil society organizations has allowed the U.S. government to maintain development presence in countries even when activities of larger agencies are constrained.
- **Acting with flexibility and agility.** The IAF practices adaptive management, which enables it to respond to changing conditions on the ground, capitalize on new or emerging opportunities, or quickly close grants that are not having the desired impact. For example, in response to the humanitarian crisis in Venezuela, the IAF began working in FY 2019 with grassroots partners in high-migrant-receiving communities in Colombia, Brazil, Ecuador, and Peru to quickly mobilize \$1.6 million to facilitate the integration of displaced Venezuelan migrants and refugees through job training, psychosocial support, microfinance, and more. As of FY 2020, the initiative had mobilized \$9.2 million and expanded to Trinidad and Tobago, Argentina, and Chile.

## The IAF Promotes Economic and Social Inclusion of Historically Marginalized Populations

The IAF prioritizes including the region's most disadvantaged citizens—women, young people, Indigenous people, African descendants, LGBTQI+ people, and people with disabilities, among others—in their countries' economic and civic life.

- **Women.** Supporting grassroots organizations advancing women's empowerment has always been at the heart of the IAF mission. Despite the barriers to achieving gender parity, women make up 56% of participants in IAF-funded grants. The IAF launched the Women INvesting in Growth and Security (WINGS) initiative in 2018 to more deliberately invest in organizations seeking to spur women's social and economic success. This \$23 million initiative, representing approximately 30% of the IAF's grants, supports more than 120 local organizations in 23 countries that increase women's opportunities for civic engagement, enable greater access to finance, and expand leadership, business, and management training options. IAF grantees also increase opportunities for women to uphold their rights and engage local governments.
- **Young People.** Over half (51%) of IAF grants carry out activities benefiting young people. Of those, one in 10 is a youth-led organization. With Latin America and the Caribbean leading the world in youth homicide deaths due to gang violence and insecurity, the IAF invests in engaging young people in productive, income-generating ventures; leadership training; peacebuilding; and conflict resolution. IAF grantee organizations build young people's capacity for civic engagement and open channels for them to advocate for their priorities in public policy and development.
- **Indigenous People.** In FY 2020, 32% of IAF grants supported Indigenous communities in 15 countries. Latin America and the Caribbean is home to between 29 and 50 million Indigenous people from as many as 826 groups.<sup>2</sup> These groups face many systemic socioeconomic challenges, including a 46.7% poverty rate<sup>3</sup> and limited access to services, education, and employment. IAF grantees in Indigenous communities promote income-generating social enterprises, sustainable agriculture and natural resource management, and visibility for Indigenous issues, such as legal titles to land. In FY 2021, the IAF laid the groundwork for a new pilot initiative with Indigenous peoples in Latin America and the Caribbean and Native American communities in the United States to explore ways to share best practices of mutually beneficial trade and investment relationships.
- **African Descendants.** In FY 2020, 18% of IAF grants supported communities of African descendants in Latin America and the Caribbean, who often face disproportionately low measures of income, education, and health and continue to be underrepresented in decision-making positions. At least one in every four Latin Americans identifies as an African descendant, making them the largest minority group in the region. IAF grantees promote rights and legal protections, educational inclusion, and recognition and representation for African descendants as a key demographic group. They also expand leadership and income-generating opportunities for African descendants.



## The President's Request

The President is requesting an appropriation of \$38 million for the IAF in FY 2022.

With this appropriation, the IAF can advance the following vital efforts to promote economic opportunity, strengthen accountable democratic governance, and foster social inclusion and human dignity, in line with U.S. foreign policy and national security priorities in Latin America and the Caribbean:

- **Propelling COVID-19 recovery.** As one of the geographic regions hit hardest by the pandemic,<sup>4</sup> Latin America and the Caribbean will require intensive, long-term investment to recover from its worst economic recession. IAF investments will focus on restarting economic activity and building resilience to future crises. To maintain our successful high-touch approach in the event that direct site visits remain unsafe for IAF staff or partner communities, the IAF will continue to refine its successful virtual grantmaking, monitoring and evaluation, and grantee learning exchanges.
- **Responding to the devastation of Hurricanes Eta and Iota.** In November 2020, Hurricanes Eta and Iota caused damages estimated at \$9 billion across southern Mexico, Central America, and Colombia,<sup>5</sup> impacting almost a third of IAF grantees. IAF's support is facilitating grantees' shift from responding to immediate food, shelter, and health needs, to planting crops for long-term food security, reforestation hillsides to prevent future erosion, improving access to markets, and increasing access to loans for small businesses.
- **Developing alternatives to irregular migration.** Increased food insecurity resulting from the COVID-19 pandemic and frequent natural disasters in Central America are contributing to a new wave of irregular migration north. The IAF's strategy in the Northern Triangle focuses on building resilience and rootedness in communities impacted by food insecurity, corruption, poverty, marginalization, environmental degradation, extreme weather, natural disasters, and violence. IAF grants support viable opportunities for farming families, youth, and women to earn a living, and for community organizations to work with municipal governments and other stakeholders to reduce violence, including gender-based violence. They strengthen civil society groups' capacity to call for and participate in responsive, transparent, and democratic governance and oversee public spending to prevent corruption.
- **Integrating displaced Venezuelans.** The displacement of more than 4.6 million Venezuelans throughout the region<sup>6</sup> continues to pose an unprecedented humanitarian and economic challenge, straining public infrastructure and igniting tensions with local citizens over resources. The IAF will continue to invest in its regional initiative for community-led integration, which currently includes 24 grantees involved in improving livelihoods, promoting conflict resolution, providing basic services, and addressing xenophobia in seven countries: Argentina, Brazil, Chile, Colombia, Ecuador, Peru, and Trinidad and Tobago.
- **Promoting inclusive economic prosperity and support for human dignity** that benefits underserved and historically marginalized populations such as women, youth, Indigenous people, African descendants, LGBTQI+ people, people with disabilities, and others. Nearly half of IAF grants promote enterprise development, job skills, and sustainable agricultural production in underserved areas.
- **Fostering constructive civic engagement in development and democracy.** Across Latin America and the Caribbean, governments have intensified restrictions on civil society organizations such as nonprofits and associations, and moved to limit residents'

rights to free association, assembly, and expression. The IAF will continue investing in civil society—crucial to healthy democracies—by strengthening local democratic practices, citizen-led anti-corruption efforts, freedom of speech, and participation of underrepresented populations. Strong, democratic governments make good neighbors for the United States.

- **Managing natural resources and preparing for natural disasters.** Extreme weather is a region-wide issue, with half of the world's top ten most at-risk countries in Latin America and the Caribbean.<sup>7</sup> To anticipate challenges from frequent droughts, intensifying hurricanes, shifting crop diseases, and natural resource depletion, IAF grantees create seed banks, plant weather-resistant crops, construct water storage and flood control infrastructure, strengthen disaster response coordination, and develop disaster mitigation and recovery strategies among grassroots networks and local governments.
- **Engaging communities in preventing violence and crime.** Violence continues to rise in a region already considered the most violent in the world. Post-conflict insecurity overshadows many of the communities with which the IAF works, with violence against community leaders threatening to derail grassroots development efforts. The pandemic's economic devastation appears to be accelerating transnational gang recruitment and has exacerbated gender-based violence. The IAF will continue to engage communities in crime and violence prevention and peacebuilding efforts through programming like the Colombia Peace Initiative, which now encompasses a network of 23 local partners working across 24 departments.

The President's request of \$38 million for the IAF in FY 2022 is equal to the FY 2021 Enacted level, a year in which the IAF received no interagency transfers. The agency will continue working to minimize overhead expenses, maximize the programmatic impact of its resources, and further refine the IAF's evidence-based evaluation system.

**Summary Table: Sources of IAF Funds FY 2020-2022**

	FY 2020	FY 2021	FY 2022
Appropriated Funds (Current Year)	37,500,000	38,000,000	38,000,000
Carryover Appropriated Funds from Prior Year	2,259,176	6,908,108	900,000
Recoveries Appropriated Funds	503,102	1,147,168	800,000
Carryover to Future Year	-6,908,108	-900,000	-900,000
Interagency Transfers	11,000,000	0	0
Gift Funds	266,939	1,000,000	1,000,000
SPTF Funds	0	1,200,000	1,200,000
<b>TOTAL OBLIGATION AUTHORITY</b>	<b>44,621,109</b>	<b>47,355,276</b>	<b>41,000,000</b>

The IAF is also developing new donor partnerships in a bid to mobilize private sector funding to replace the resources historically provided by the Social Progress Trust Fund (SPTF), which was an important source of funds for the agency for more than 45 years.<sup>8</sup> The IAF is currently partnering with, among others, the Charles Stewart Mott Foundation, Aguas Danone Argentina, Danone Ecosystem Fund, the Fine Chocolate Industry Association, the International Community

Foundation, Laudes Foundation, Tinker Foundation, Philip Stephenson Foundation, and Young Americas Business Trust.

To ensure that our community-based programming is aligned with U.S. foreign policy and development priorities, the IAF will continue to coordinate with the National Security Council, Department of State, the U.S. Agency for International Development (USAID), and others on a number of interagency efforts, including Addressing Root Causes of Migration in Central America, Building Community Resilience in the Eastern and Southern Caribbean (a three-year, \$5 million joint initiative with USAID), women's empowerment, the Global Food Security Strategy, and the crisis of Venezuelan refugees and migrants.



ADESJU,  
Guatemala  
(See page 29.)



## 2 | FY 2020 Accomplishments

### IAF's Reach

- More than 2.3 million people benefitted from over 330 grants across 26 countries.
- The IAF funded 87 new grants, 70% of which went to eight priority countries: Honduras, Guatemala, El Salvador, Colombia, Mexico, Peru, Haiti, and Nicaragua.
- 76% of grants supported historically marginalized populations, including African descendants, Indigenous people, and women.
- 51% of IAF grants directly involve and benefit young people.
- 32% of IAF grants supported Indigenous communities.
- 56% of IAF grant participants were women and girls with 30% of IAF grants undertaking activities explicitly designed to advance women's empowerment.
- 18% of IAF grants supported communities of African descent.
- 56% of IAF funds were directed to rural communities, 11% to urban communities, and the rest to both rural and urban areas.
- 31% of IAF grants worked to address the root causes of irregular migration.
- 74% of active IAF grants expanded economic opportunity and prosperity.
- 52% of active IAF grants strengthened civic engagement for better governance and accountability.
- 24% of active IAF grants improved peace and security.

### Results and Impact

- IAF grantees scored the IAF in the top 1% of over 300 funders for positive impact on their fields and top 5% for impact on their communities in an anonymous 2020 survey by the Center for Effective Philanthropy.<sup>9</sup>
- The IAF scored in the top 7% for reflecting a deep understanding of the needs of grantee beneficiaries in funding priorities in the same Center for Effective Philanthropy survey.<sup>10</sup>
- 77% of grants ending in FY 2020 met or exceeded outcome goals specified for each grant.
- 224,000 participants in IAF-funded grant activities acquired new knowledge and skills in agriculture, manufacturing, technical vocations, finance, planning, administration, marketing, civic engagement, and environmental conservation.

### COVID-19 Pandemic Response

- Between mid-March 2020 and September 2020, the IAF provided \$21.7 million to 151 organizations to respond to community needs during the pandemic.
- At the start of the pandemic, the IAF consulted its grantees and developed a rapid-response mechanism that amended 129 existing grants with flexibility or supplemental funding.
- The IAF responded rapidly enough to the unfolding pandemic in Latin America and the Caribbean that 84% of our grantees managed to safely continue their most important

work without interruption, according to the Center for Effective Philanthropy.<sup>11</sup>

## Leverage

- New grantees committed \$1.26 for every \$1 invested by IAF over the last five years (FY 2016–FY 2020).
- IAF's total investment in active grants was \$98.5 million and catalyzed \$120.4 million more from grantees in cash and in-kind resources, for a combined value of \$218.8 million.
- As part of a new partnership with dairy and beverage company Danone Argentina and the Danone Ecosystems Fund, the IAF is leveraging \$1.70 for every \$1 of IAF funding.

## Efficiency

- Administrative costs represented only 9% of the IAF's FY 2020 budget when including the resources leveraged from grantees.

## Trust

- 71% of respondents stated in the 2020 Center for Effective Philanthropy survey of IAF grantees that working with the IAF has improved their opinion of the United States.<sup>12</sup>
- Grantees reported feeling extremely comfortable approaching the IAF if a problem arises, placing us in the top 6% of all funders.<sup>13</sup>

## Flexibility

- The flexibility of IAF's funding model allows grantees to adapt their plans to changing conditions on the ground and positions the IAF to rapidly respond to strategic opportunities. In FY 2020, 129 active grants were amended with resources to allow successful grantees to expand, scale up, or adapt their work. As noted above, over 100 of these amendments were to provide grantees with additional funding and flexibility to quickly support communities dealing with the COVID-19 pandemic's impacts on health, safety, and livelihoods.

## Sustainability

- IAF grantees mobilized \$120.4 million in counterpart resources to match the IAF's \$98.5 million investment in grants, expanding the scope, reach, and lasting impacts of our portfolio.

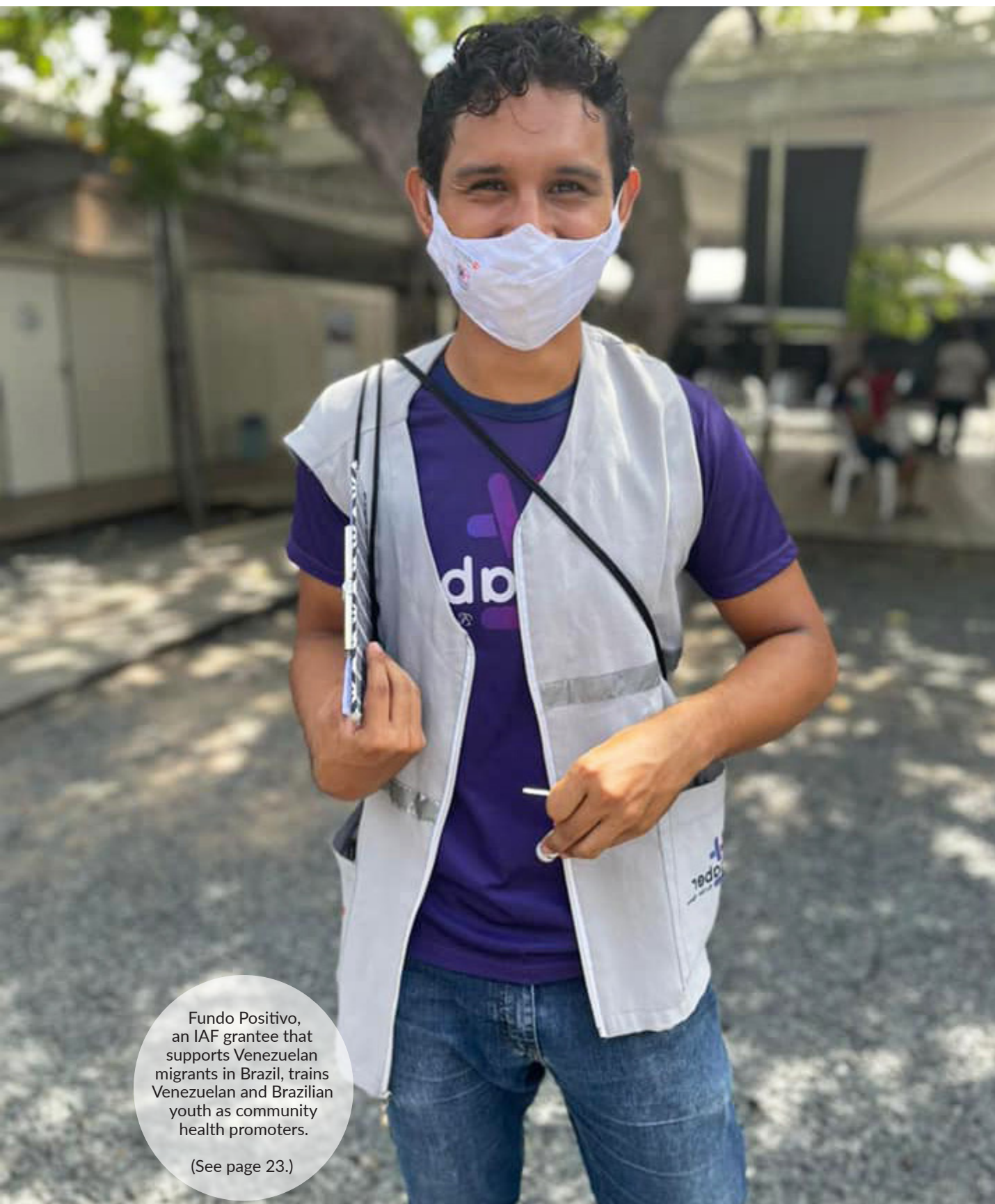
## Networks

- One of the IAF's greatest assets is the strength of its network of some 5,400 current and former IAF grantees who can serve as a resource to each other, and as trusted and responsive partners for the IAF when communities face crises. The IAF encourages and supports cost-effective peer-to-peer learning and exchanges of lessons. In 2020, IAF grantees leveraged this network virtually, including to provide needed funding to communities dealing with COVID-19.



**Example of IAF Grantee Networks:** Displaced Venezuelans face complex work and migration policies, limited economic opportunities, and xenophobia that can make it difficult to make ends meet in their new communities. Grassroots and civil society organizations working to promote Venezuelan livelihoods often lack the expertise to guide participants in constructive ways to communicate and alleviate conflict. In partnership with the IAF, Asociación Minga Perú (Minga Perú) carried out a virtual workshop in September 2020 with 14 IAF grantee organizations working with displaced Venezuelans in **Brazil, Chile, Colombia, Ecuador, and Peru**. During the workshop, IAF grantee Fundepaz, a non-profit in Colombia, shared its strategies for communicating effectively with displaced Venezuelans. Following the workshop, IAF grantee Asociación Peruana Mujer y Familia (APMF), a women's association in Peru, implemented these strategies to improve communication between its team of doctors and legal advisors and displaced Venezuelan women seeking psychological, health, and legal services. After learning about the value of migrant networks, another Peruvian grantee CooperAcción formed networks in Peru, through which displaced Venezuelans can help each other access health services and employment. In the coming months, Minga Perú will provide strategic communications training to more IAF grantees working with displaced Venezuelans in **Argentina, Brazil, Colombia, Ecuador, and Uruguay** and will host virtual forums to share good practices and lessons among all participating groups.





Fundo Positivo, an IAF grantee that supports Venezuelan migrants in Brazil, trains Venezuelan and Brazilian youth as community health promoters.

(See page 23.)

### 3 | IAF's Response to COVID-19 and Emerging Challenges

The COVID-19 pandemic unleashed the worst health and economic crisis in Latin American and Caribbean history. Experts suggest that the crisis has unwound a decade of development progress. The number of people living in poverty in the region rose by 22 million to an estimated 209 million in 2020—in other words, nearly one in three people.<sup>14</sup>

When the pandemic struck Latin America and the Caribbean, already vulnerable communities faced heightened food insecurity, income loss, health risks, and gender-based violence. IAF grantees joined the front lines helping people survive by distributing food and personal protective equipment, investing in economic recovery, and supporting longer-term environmental and economic resilience across the region. The IAF quickly adjusted its grant processes to facilitate rapid community-level response, providing additional emergency funding and allowing grantees to reprogram funds for critical activities.

Our response was timely enough that, according to the Center for Effective Philanthropy, 84% of our grantees managed to continue their most important work as safely as possible and without interruption.<sup>15</sup> Our extensive network of grassroots partners in remote and underserved areas followed communities' lead, working on three levels simultaneously:

- **Response:** Delivering food, sanitary supplies, and locally-sourced protective equipment to keep communities healthy and safe. Disseminating accurate information to slow COVID-19 transmission.
- **Recovery:** Investing in economic recovery to create opportunities for people to earn a living, return to school, and access services as economies reopen.
- **Resilience:** Bolstering longer-term resilience against future economic, social, and environmental shocks in underserved communities.

Our grantees pivoted quickly to working primarily virtually. Even as grantees remained committed to their core mandates like enterprise development and food security, most took on additional activities to help their communities weather the COVID-19 crisis: 72% supported basic needs, 44% invested in communications technology, and 21% provided micro-business support.

#### IAF Grantee Examples: Pivoting Amidst the COVID-19 Pandemic

IAF grantee *Iniciativas para el Desarrollo de una Economía Alternativa y Solidaria* (Ideas Comunitarias) had already trained more than 500 young leaders from migration-prone, Indigenous Mixteca communities of Oaxaca to develop income-generating projects and strengthen their organizations when the pandemic hit. In Oaxaca, access to education, health services, housing, and household assets is one of the lowest among Mexican states.<sup>16</sup> In the state that already had the third-highest poverty level in Mexico at 57%, the economic impact of the pandemic has been severe.<sup>17</sup> In response, supplemental IAF support enabled Ideas Comunitarias to fund new youth-led initiatives in 16 communities with 170 participating families to address food scarcity, generate income, and inform community members about the virus and methods of preventing transmission. As a result, 441 people experiencing food shortages increased their access to food, 16 youth groups received support for income-generating activities, and 348 participants implemented new COVID-19 prevention practices to limit the spread of the pandemic.





Young people in El Progreso, Honduras, face regular threats of violence and few opportunities to work or continue their education. IAF grantee Organization for Youth Empowerment (OYE) makes it possible for promising young Hondurans from low-income families to pursue microenterprise training and provides credit to launch their own businesses or continue their education by awarding “micro-scholarships.” Prior to the pandemic, the scholarship program had shown evidence of great success. In this area of high out-migration and secondary school completion rates of just 41%, 98% of grantee scholarship recipients had completed their high school degree and less than 2% of recipients had migrated. When the pandemic hit, OYE made it a priority to enable students to continue their education with new access to technology and the internet, with supplemental support from the IAF. OYE launched the program *Vamos a lo Virtual* to cover mobile data access for its students to ensure they could stay safe, continue their education through virtual classes and training, and remain hopeful by connecting to peer support groups. OYE also supported youth entrepreneurs’ efforts to adapt their business models to the COVID-19 pandemic context by developing contingency plans and innovating to reposition their products and services.

High-quality internet is almost nonexistent in rural and isolated communities in Colombia, and this digital gap has become even more harmful in the wake of COVID-19 as populations cannot access virtual education, training, health services, and other opportunities. IAF grantee Corporación Sistema de Comunicación Para La Paz (SIPAZ), a nonprofit organization that manages a national network of community radio stations, is piloting four community-based communications enterprises to sell broadband services by retrofitting its radio towers to transmit Wi-Fi at reduced cost to rural communities, grassroots organizations, and social leaders. These services promote digital access and further the civic engagement of traditionally marginalized groups and peacebuilding from the ground up. Approximately 800 people will gain broadband internet



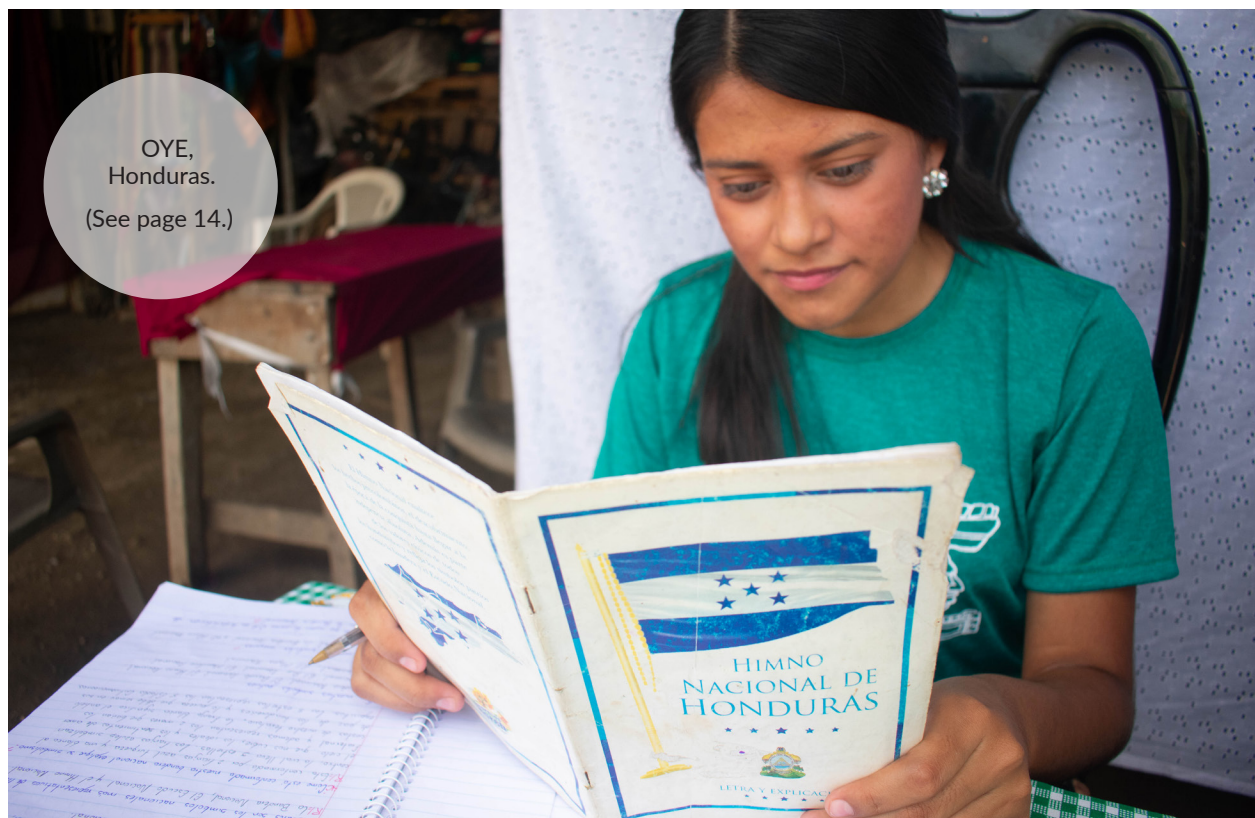
access thanks to SIPAZ's work. Given its reach as a national network of community-based radio, television, and social media networks, encompassing 413 community radio stations in 29 of the country's 32 departments, SIPAZ was well-positioned to support three community radio networks in replacing and repairing radio equipment damaged by Hurricanes Eta and Iota last November, helping to restore communication and broadcast information about hurricane relief at a critical time.

## Plans for Addressing COVID-19 in FY 2021 and Beyond

The region faces serious challenges in recovering from the economic devastation of the pandemic, controlling the spread of the virus, and procuring and distributing vaccines, particularly in remote and under-resourced communities. Essential sanitary measures such as handwashing and social distancing are still difficult to ensure. Many lack access to running water and close to a quarter of the total population lives in slums or precarious housing,<sup>18</sup> conditions that help propagate COVID-19 and other diseases.

In FY 2021, the agency is addressing the health, safety, and economic impacts of COVID-19. It is working with its grantees to identify and support the best ideas that emerge from communities in Latin America and the Caribbean for weathering the effects of the pandemic, kick-starting economic recovery, and bolstering community resilience to future crises.

In FY 2022, the IAF will continue working with civil society and grassroots partners to advance recovery from the pandemic as well as other key objectives including expanding economic opportunities, enhancing peace and security, strengthening democratic governance, and unlocking private, public, and community resources.







Union Majomut,  
Mexico.  
(See page 17.)



## 4 | FY 2020 Grant Highlights

### Economic Opportunity and Inclusion

IAF grantee Unión de Productores Orgánicos Beneficio Majomut Sociedad de Producción Rural (Majomut) in Mexico has increased the income and living standards of approximately 1,000 coffee producers in 33 Indigenous Tsotsil and Tzeltal communities. With Majomut's support, farmers have improved their coffee production and quality and increased sales in international specialty markets and the domestic roasted coffee market. Majomut is still helping farmers bounce back from devastating 2013 losses of approximately 75% of coffee crops due to the crop disease coffee rust. Farmers have made 810 hectares more resilient to crop disease by using natural fungicides and resistant varieties. In 2020, they increased their production by 6% over the prior year, producing almost 600,000 kilos of coffee. The grant directly benefits producers and their families by increasing their income. Farmers receive a 50- to 60-cent premium on each pound of coffee that has Fair Trade and organic certifications, exporting to U.S. companies like Equal Exchange and Royal Blue Organics. By supporting coffee growers, Majomut is also increasing cash crop production that provides more opportunities for local employment along the value chain.

In Guatemala, IAF grantee ProPetén helps Indigenous Q'eqchi Maya producers cultivate cacao as an alternative to subsistence agriculture and low-priced crops and sell it to chocolatiers as well as producing chocolate for sale locally. Q'eqchi women face technical, cultural, and linguistic barriers in producing and marketing products. With ProPetén's support, 102 families have increased their incomes through the sale of 35 tons of premium cacao, a small but growing percentage of which is exported to the United States and Germany. U.S.-based boutique company Cru Chocolate used their cacao in a chocolate bar that won a gold medal from the London Academy of Chocolate. Three participating communities have organized committees of women chocolatiers to create value-added products and generate income independently. Women's earnings ranged from \$150 to \$1,200 during the cacao harvest (February to June 2020)—a source of hope given that almost half of the local population lives on less than \$2 a day. One woman earned almost as much supplementary income from chocolate as she did in a year at her primary job. Women typically spend their earnings on medical services, food, clothing for their children, or improving their homes with cinder blocks and tin roofs. The women's committees are also now engaging local governments on community development projects to benefit women.



## Civic Engagement, Human Rights, and Anti-Corruption

Young Hondurans generally lack opportunities to influence decisions that impact their lives and futures. IAF grantee Centro de Desarrollo Humano (CDH) works with 39 networks of youth organizations across eight municipalities in southern Honduras and 11 high-risk urban neighborhoods in Tegucigalpa to equip young leaders and their organizations with the skills to effectively participate in municipal decision-making. CDH has trained over 2,500 young people in youth citizenship, leadership, human rights, and social oversight mechanisms to reduce corruption with public resources. These youth have, in turn, trained an additional 10,000 young people in their communities. Young CDH participants helped form Tegucigalpa's first Municipal Youth Commission, focusing on youth employment. The youth networks have also created a national observatory to document challenges faced by Honduran youth for policymakers. Youth organizations now review municipal budgets and as a result, municipal governments have increased public investment in scholarships, small business development training, and seed capital. When the COVID-19 pandemic struck, the youth networks immediately became involved in monitoring municipal humanitarian funding throughout southern Honduras, to identify gaps and reduce corruption and partisan practices in food and medical supply distribution. They also engaged nearly 11,000 participants in virtual training on citizen oversight.

Young Colombians have struggled to get their needs understood and addressed as their country seeks to achieve peace following the 2016 Peace Accords that ended 60 years of internal armed conflict. IAF grantee Corporación Taller de Promoción Popular y Desarrollo Alternativo (Prodesal) is amplifying the efforts of young peacebuilders from Colombia's conflict-affected Caribbean communities. With support from the IAF, Prodesal launched Agenda Caribe: Paz con Juventudes, which brought together more than 225 youth organizations in 16 municipalities across four departments to develop a 10-year plan laying out young people's priorities for local development and peacebuilding. By coalescing around the plan, young peacebuilders have successfully established 33 new youth policy platforms that identify youth needs and propose policies to support them, and participated in new initiatives, such as rural development plans mandated in the Peace Accords to address poverty and other root causes of the conflict. Agenda Caribe's successful youth policy platforms have drawn support from key stakeholders, such as Colombia's Office of the Attorney General and Ministry of Interior. Agenda Caribe also spurred the creation of the Youth Network of Southern Córdoba, whose members presented before Colombia's independent Truth Commission in 2019 and have raised \$50,000 for rural development projects.



Prodesal, Colombia



## Resilience to Insecurity, Crime, and Violence

Honduras remains one of the most violent countries in the world, with widespread gang activity ranging from armed robbery and extortion to homicide. With IAF support, IAF grantee Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH) works with networks of organizations of women, youth, and Indigenous groups to build peace. OCDIH convenes citizen security roundtables in municipalities in western Honduras to address rising violence and spur economic investment. These roundtables incorporate municipal government officials and key community institutions including businesses, schools, police, and churches to address the economic and social conditions resulting in insecurity and out-migration in their communities. Through ongoing public workshops and awareness campaigns, it promotes human rights and violence prevention, raises awareness of the risks of migration, and trains local leaders, teachers, and radio and television broadcasters to amplify its approach. OCDIH is also promoting economic independence for at-risk community members as an alternative to crime or migration. Activities include microenterprise development training for women and youth, job readiness training, and engaging local businesses to help youth obtain formal employment. OCDIH's roundtables likely contributed to the incidence of homicides falling dramatically in the municipality of Trinidad—by 75%—from 2019 to 2020.

Women in Haiti's rural Sud-Est department suffer from extensive gender-based violence (70% of Haitian adolescent girls and women have experienced some form of violence<sup>19</sup>), with little access to services given that women's organizations are concentrated in the capital, Port-Au-Prince. With 60% of the population living in extreme poverty,<sup>20</sup> women can be mistreated for not contributing financially to households and face limited options for attaining economic independence. Working with very incipient groups in isolated communities, IAF grantee Fanm Deside connects women with economic resources that allow them to leave abusive relationships and secure shelter, food, and education for their children. Fanm Deside has given more than 235 women access to credit funds totaling \$22,500 to invest in microenterprises to increase their economic independence. Fanm Deside also raises awareness about domestic violence through radio and print campaigns and community-based training, which has prompted more than 1,777 women and 154 men to seek Fanm Deside's mediation services, and increased demand for its shelter for domestic violence survivors, the only such shelter in the department. Project participants' reporting of physical, sexual, and other violence has increased by 90% three years into the grant, indicating that women are more aware of their rights. Fanm Deside has increased the support network for survivors of gender-based violence by strengthening or helping to form 30 women's groups.



Fanm Deside, Haiti

## Food Security

Between 62% and 75% of farming families in the Lempira, Comayagua, and Santa Barbara departments in western Honduras experience food insecurity,<sup>21</sup> a major driver of out-migration in recent years. IAF grantee Programa de Reconstrucción Rural (PRR) has helped 37 farmer groups improve their food security through better cultivation techniques and access to drought-resistant native corn and bean seeds, benefiting around 4,500 people. Through sales, informal exchanges, and seed fairs, their resilient high-yield seeds have reached 25,000 people. In Santa Barbara, PRR participants have increased their corn and bean yields by 50% and reduced post-harvest loss by 30%. With improved drying and storage systems, farmers now have access to corn and beans an additional four months out of the year and can choose to sell when prices are higher. After strengthening their business skills with PRR, farmer groups can offer farmers a higher and more stable price than intermediaries, so farmers prefer to sell to these farmer groups. Farmer incomes have increased, which motivates families to stay in their communities. Despite devastating economic setbacks from COVID-19 and Hurricanes Eta and Iota, groups supported by PRR used reserves to provide emergency food aid to 550 of the most vulnerable families and maintained fair prices while other suppliers raised food prices.

In rural western El Salvador, 46–60% of families are experiencing food insecurity.<sup>22</sup> IAF grantee Asociación Agropecuaria de Mujeres Produciendo en la Tierra (AMSATI) prepares women to build viable businesses, assume community leadership roles, and contribute to their families' food security through home gardens. Eighty-seven women have earned income for the first time and gained leadership and business skills such as accounting and marketing by joining AMSATI committees. One committee crosses gang-dominated territories to sell chickens, requiring the women to develop advanced negotiation skills. The women have increased their family income by 20–30% on average and reinvested their profits into their small but growing businesses. Working with AMSATI extends women's support networks, a factor critical to navigating food insecurity. They have also begun engaging in local development efforts that directly affect them. Some women have facilitated municipal human rights committees in Sonsonate, while others are participating in a national program that addresses land titling and regional development plans. Finally, women from 46 families have learned to produce food sustainably and have diversified and increased their families' consumption of healthy food. With additional income from their gardens, women are also purchasing school materials for their children.





## Natural Resource Management

In Guatemala's Western Highlands, communities have historically faced food supply shortages and natural resource degradation due to chronic droughts. This has led to some of the highest migration rates in the region.<sup>23</sup> IAF grantee Ut'z Che' encourages sustainable farming practices to protect natural resources and ensure local families' long-term ability to make ends meet. With IAF support, Ut'z Che' (a network of over 40 Indigenous, community, and farmers' associations) has trained more than 750 farmers across the country in collecting native seeds, adopting natural insect repellents and biofertilizers, and harvesting rainwater. The network has protected more than 6,000 hectares of forests, benefitting over 900 families. The organization also trained 35 public officials from governing entities in forestry and environment on issues related to Indigenous people and community forestry. A recognized national leader, Ut'z Che' was consulted in creating a community forestry curriculum at the national university. In 2020, it received the United Nations Development Programme's (UNDP) Equator Prize in recognition of its work reducing poverty by sustainably managing natural resources. In response to the COVID-19 crisis, Ut'z Che' purchased grains to support farmers with excess grain and ensure families had access to basic grains in communities facing shortages.

Beekeepers in the lowland South American regions face multiple business challenges. Deforestation and extreme weather events impede sustainable honey production and supply chain bottlenecks inhibit processing and distribution. IAF grantee Cooperativa de Trabajo Ltda. (COOPSOL), an Argentine honey cooperative with members in Argentina, Paraguay, and Bolivia, leveraged technology to open new honey markets and adapt to a changing environment. COOPSOL created an online platform to inform beekeepers on markets and pricing as well as weather conditions that will affect their honey production. The platform enables COOPSOL to trace products from source to market, link producers to buyers, better manage supply and demand, organize a network of community stores, and offer credit to producers. COOPSOL is also finalizing a mobile app for the platform in 2021. When the pandemic began, COOPSOL's prior efforts to strengthen the organizational and productive capacity of small beekeeper associations gave them the resilience needed to withstand the crisis. COOPSOL partnered with the private sector to expand internet service and helped beekeepers access credit and government relief for food and essentials, keeping alive the hopes of more than 10,000 people who depend on the sale of organic honey to survive.



COOPSOL, Argentina

## Alternatives to Migration in the Northern Triangle

The IAF convened youth-focused grantees from Honduras, Guatemala, and El Salvador in 2016 to address the conditions causing youth to migrate. As a result, three Honduran organizations designed a partnership to leverage their respective strengths: Asociación de Desarrollo Pespirense (ADEPES), Asociación de Desarrollo Triunfeña (ADETRIUNF), and Organization for Youth Empowerment (OYE). Learning from OYE's success, ADEPES and ADETRIUNF established micro-scholarships and expanded relationships with the private sector for greater sustainability. Meanwhile, OYE learned from the other organizations how to train young entrepreneurs and support their microenterprises. Together, the partners launched a comprehensive pilot program for youth in three municipalities that has trained over 1,766 youth in life skills, resilience, and leadership. The young people are now creating viable futures for themselves and their peers within their communities. They have led volunteer initiatives for disease prevention and environmental clean-ups engaging over 10,000 volunteers. With seed capital, vocational education, and technical assistance from the partners, young people created business plans and launched 19 microenterprises. Of the students who received micro-scholarships to complete high school, receive vocational training, or attend college through this initiative, over 60% have already graduated and the rest are on target to do so. Private companies in the region have offered internships and employment to scholarship recipients and source products and services from their enterprises.

Impoverished rural provinces of Guatemala's Western Highlands have some of the highest rates<sup>24</sup> of irregular migration. IAF grantee Asociación Barillense de Agricultores (ASOBAGRI) provides families a living and helps children envision a future in their home communities. ASOBAGRI has trained 1,712 participants in sustainable coffee growing, entrepreneurship, and leadership. Their coffee production is thriving, despite coffee price fluctuations and limitations related to COVID-19. ASOBAGRI increased members' incomes by introducing new crops, opening a coffee shop, and starting brands of Fair Trade coffee managed by local youth and women. Families exporting ASOBAGRI's specialty coffee make an average of 25% more than with conventional coffee. In 43 factories, ASOBAGRI manufactures organic fungicide, insecticide, and fertilizer for sale and distribution to members. ASOBAGRI is also strengthening the skills of the next generation of coffee producers. It is supporting students with scholarships to complete high school and university and integrating youth into its organizational leadership at all levels, encouraging more youth to aspire to build their livelihoods around coffee production.



ASOBAGRI, Guatemala



## Displaced Venezuelans

People continue to flee Venezuela with approximately 5.5 million Venezuelan migrants and refugees now living abroad.<sup>25</sup> The IAF is supporting grassroots organizations in destination countries that are helping Venezuelans integrate economically and socially into their host communities and access social services. In **Brazil**, the IAF is working with its grantee Positivo, a group that operates in two cities of the border state of Roraima and in the state of Amapá to provide a suite of services to newly-arrived Venezuelans, including chronic health attention, vocational and technical training, and Portuguese language classes. Positivo is training Venezuelan and Brazilian youth as community health promoters to help migrants and locals navigate the Brazilian health system, support early detection of diseases, and expand health education among vulnerable people. Since it began receiving support from the IAF in August 2020, Positivo has supported some 2,300 Venezuelan refugees. By the end of the grant, it expects to reach 10,000 people.

Savings and credit cooperative Cooperativa de Ahorro y Crédito Mujeres Unidas (CACMU) used IAF funding nearly two decades ago to expand to provide credit and financial services to 30,000 primarily Indigenous and Afro-Ecuadorian women in northern **Ecuador**, a small proportion of whom were Colombian migrants. Because CACMU already provided services to migrants, the cooperative was well-prepared to respond when nearly half a million Venezuelans fled into Ecuador.<sup>26</sup> The strain the influx of migrants placed on infrastructure, labor markets, and community cohesion has been compounded by the COVID-19 pandemic. CACMU diminishes xenophobia by working with migrants and vulnerable Ecuadorians together, training people in financial literacy, entrepreneurship, and rights protection. CACMU's 70 loans have helped Venezuelans and Ecuadorians launch businesses providing tailoring, beauty, and auto repair services, and selling empanadas, ice cream, and cleaning supplies, with a default rate of under 2%. Through CACMU, 144 participants also have health insurance. CACMU has also partnered with the UN High Commissioner for Refugees, local government institutions, chambers of commerce, and aid agencies to support the social and economic inclusion of Venezuelans in Ecuador.

## Disaster Resilience in the Caribbean

Caribbean nations have long been vulnerable to natural disasters, which devastate food security, public health, and critical income-generating activities like tourism and agriculture. Recovery costs for Hurricanes Irma and Maria in Antigua & Barbuda and Dominica in 2017 have been estimated to exceed \$1.6 billion.<sup>27</sup> IAF grantee the Caribbean Natural Resources Institute (CANARI) has strengthened the capacity of six civil society organizations in **Antigua and Barbuda, Dominica, and Grenada** to develop community adaptation plans and implement cost-effective disaster risk reduction strategies through vulnerability assessments, workshops, mentoring programs, and peer exchanges. Following community mapping exercises to design and implement practical action projects, CANARI has provided seed funding for vulnerability and capacity assessment training. CANARI held a regional training for trainers and facilitated information exchange among community organizations, businesses, and national disaster management authorities through its online Knowledge Hub, which receives approximately 95,000 visits monthly. The Office of Disaster Management in Dominica has been consulting with CANARI on the potential for developing community disaster plans.

## Building Peace in Colombia

IAF grantee Corporación de Profesionales Construyendo Ciudadanía (CPCC) is a youth-led grassroots organization on the northern Atlantic coast of Colombia that promotes civic engagement and youth leadership. CPCC provides training and technical support to young people who participate in grassroots organizations or informal civil society groups to increase their knowledge of their rights and representation among decision makers in their community. CPCC collaborated with the municipal government to create a comprehensive consultation process with urban and rural young people to revise the municipality's four-year public policy framework for youth. They successfully negotiated designating secure spaces for recreation and a transportation subsidy for students. CPCC also disseminated the youth policy framework in a user-friendly format, improving its accessibility. Finally, CPCC has built up the network for youth civic engagement by strengthening 18 youth organizations and supporting two more in getting legally registered, giving the new organizations access to government resources. CPCC's efforts have benefited more than 1,900 young people and secured a role for young people's voices in the creation of public policy.

Against a backdrop of armed conflict, IAF grantee Centro de Investigación y Educación Popular (CINEP), a Jesuit non-governmental organization, is building peace and improving democratic governance in Colombia through community research, education, and oversight. Partnering with the IAF and 20 other IAF grantees, CINEP has documented and analyzed over 380 local peacebuilding cases throughout Colombia, and researched the types of violence



communities face and their strategies to counter it. CINEP has strengthened the know-how of other IAF grantees, teaching many about the local, regional, and national mechanisms available to build peace. To share lessons and good practices with more communities, CINEP organizes an annual symposium (*Semana para la Paz*) on peacebuilding that brings together grassroots organizations, practitioners, and thought leaders. Thanks to CINEP's efforts, collaboration and exchange of information among IAF grantees has increased 20%, benefitting approximately 3,000 Colombians. Many now understand important aspects of peacebuilding strategies, such as trauma recovery and reconciliation work. Additionally, with IAF assistance, CINEP and Planeta Paz, a sister organization, are systematically recording the successful innovations, ideas, and experiences of 21 other organizations to promote their ongoing learning and improvement.

## Financial Sustainability and Self-Reliance

Cacao and coffee cooperative Cooperativa de Servicios Múltiples Ríos de Agua Viva 21 de Junio R.L. (RAV) in Nicaragua was on track to be self-sustaining through product sales prior to Hurricanes Eta and Iota, having tripled its profits since receiving its IAF grant. RAV provides training, technical assistance, and processing services to increase cacao and coffee farmers' incomes in 27 communities in the municipality of Rancho Grande. Farmers had increased productivity per hectare by close to 30% and nearly doubled the amount of dry cacao they sold. RAV supported 500 conventional cacao producers in adopting and certifying sustainable farming practices and quality, which combined brought them an additional \$500 per metric ton. RAV also used IAF seed funding to set up a revolving loan fund. With loans from RAV, farmers invested in upgrading and maintaining their cacao and coffee farms, and the fund grew by 28%. The cooperative exports to German company Ritter Sport and started selling samples to potential clients in Canada, Europe, and the United States. To finance growth, RAV accessed soft loans from Amsterdam-based Rabobank Foundation. Flooding from the hurricanes damaged cacao trees and the IAF funded RAV's revolving loan fund to give members an influx of credit to rebuild. RAV has since rehabilitated almost 230 hectares of cacao and planted more than 60 new hectares.

Artecampo, an IAF grantee and Indigenous women's artisan association in Bolivia, is responding creatively to the COVID-19 pandemic to keep its business afloat. Sales of Artecampo's artisan goods fully sustained its operations and provided essential income for its 600 members prior to the pandemic, which forced businesses worldwide to adapt their production, marketing, and distribution strategies. The association developed 11 new products, including hand-embroidered face masks. Exploring new markets to offset losses, the association found a foothold online. After having to close its store for five months in March 2020, Artecampo ramped up its advertising via social media, TV and radio programs, and newspapers, and grew its portion of online sales. In May 2021, Miss Bolivia showcased an Artecampo face mask in the media coverage of her participation in the Miss Universe pageant. While the transition has required significant effort, Artecampo started generating income just two months after closing its physical store. Sales are recovering and Artecampo increased year-on-year sales in November and December 2020, giving hope that the association will bounce back to sales that exceed pre-pandemic levels. Since reopening online, Artecampo has posted progressively higher monthly gains and is exploring new administrative and financial practices to strengthen its resilience to future shocks.





## Partnerships with Faith-Based Organizations

Indigenous Miskitu and Mayangna groups in the North Caribbean Coast Autonomous Region of Nicaragua experience chronic poverty and persistent violations of their rights to territory. Drawing from Catholic tradition, faith-based IAF grantee Instituto de Investigación y Desarrollo Nitlapan de la Universidad Centroamericana (Nitlapan) centers care for the whole personhood of Indigenous community members. The center of investigation and development works with 115 residents from ten Indigenous communities living on collective tenured land to promote community development and generate greater local economic opportunities. With Nitlapan, Miskitu and Mayangna communities have established nine community-managed village banks. By issuing more than 481 loans, these village banks have supported residents in 361 communities, funding education and health care and launching local enterprises including cheesemaking, grain production, and catering businesses. Nitlapan has also reached 239 young people with training in leadership skills and sustainable agricultural practices. Nitlapan's activities have empowered community residents, enabling them to organize more effectively and giving them a strong incentive to remain in their homeland and contribute to the social and economic development of their local communities.

Indigenous and African-descendent farmers in the northeastern Brazilian state of Maranhão,<sup>28</sup> where one in five residents lives in extreme poverty, are strengthening their manioc production and distribution practices with support from the IAF and the Catholic charity organization Caritas. Through its regional branch in Maranhão, IAF grantee Caritas Brasileira Regional Maranhão (CBMA) is working in 10 municipalities with more than 800 farmers who cultivate manioc and process it into flour for local markets. The farmers, many of whom belong to *Rede Mandioca*, a manioc producers' association, are learning to standardize flour processing techniques, increase their marketing capacity, manage virtual sales and communication, and build brand recognition. Thanks to IAF and CBMA support, manioc farmers in Maranhão have had a lifeline throughout the pandemic. Shortly after the virus arrived in Brazil, CBMA helped *Rede Mandioca* expand the number of farmers' markets to allow for better social distancing and established a credit fund that immediately provided 210 farming families in greatest need with access to essential goods and services. Through the credit program, the farmers gained experience with pooling funds to support one another in future shocks.





## 5 | Focus on Historically Marginalized Groups

### Historically Marginalized Groups

The number of people living in poverty in the region rose by 22 million to an estimated 209 million in 2020.<sup>29</sup> In all countries, poverty and social exclusion go hand in hand, and durable progress requires addressing both. The IAF prioritizes the inclusion of the region's most disadvantaged, including women, children and youth, African descendants, Indigenous people, LGBTQI+ groups, and people with disabilities, among others. IAF grants active in FY 2020 benefitted 2.3 million people in poor and marginalized communities in 26 countries throughout Latin America and the Caribbean.

### Women

More working-aged women live in extreme poverty than men in Latin America and the Caribbean, with 112.7 women living in extreme poverty for every 100 men.<sup>30</sup> The employment rate for women is 26% lower than that for men;<sup>31</sup> employed women earn 19% less than men;<sup>32</sup> and about one-third of women have no income of their own.<sup>33</sup> Female entrepreneurs suffer from financial exclusion. They are less likely to secure bank loans and, when they do, face higher collateral requirements than do their male counterparts.<sup>34</sup>

Women in the region have also been disproportionately impacted by the COVID-19 pandemic. The job market participation of women was 46% in 2020, a 6% drop from the 2019 figure due to the pandemic. This reduction represents at least a decade of progress lost in women's employment.<sup>35</sup> More time in overcrowded homes as a result of the pandemic has led to an increase in domestic and gender-based violence and other toxic stressors on women.<sup>36</sup>

At the same time, women demonstrate the work ethic, skills, creativity, and careful management of resources that make their organizations a smart investment. Communities are healthier places when women have opportunities to acquire skills that can create income for their households and take part in the planning and leadership of development and business ventures alongside men.<sup>37</sup> In FY 2020, 30% of IAF grants deliberately advanced women's empowerment and approximately 56% of IAF-grant beneficiaries were women or girls.

**Example:** Femicide rates in Mexico, always high, have more than doubled since 2015, and women living in rural and Indigenous communities face particularly high rates of gender-based violence.<sup>38</sup> IAF grantee Coordinación Interregional Feminista Rural “Comaletzin” (Comaletzin) is training rural women leaders from eight states to promote gender equity and reduce gender-based violence. Comaletzin produced a radio program addressing gender-based violence prevention that reached approximately 1,500 listeners. Comaletzin's certificate program, which has gone virtual during the COVID-19 pandemic, is equipping women with the skills to replicate their training and build peer-to-peer learning and action networks that promote inclusive development in their communities. Despite pandemic-related restrictions, the women leaders in Tabasco, Puebla, and Veracruz have mobilized volunteers to pursue community-based initiatives such as raising awareness about gender-based violence and violence prevention, benefitting approximately 450 community members. In three municipalities in Puebla's Sierra Norte mountains, Indigenous women leaders tended to the needs of survivors of violence in their own language. Finally, Comaletzin is providing psychosocial support to women affected personally or professionally by violence, a crucial service as the women face extraordinary pressures ranging from loss of loved ones to increased intrafamilial violence to economic hardship to inability to access services during the pandemic.



**Example:** Reports of gender-based violence in Peru increased 130% in 2020 during the pandemic crisis.<sup>39</sup> In San Juan de Lurigancho, an impoverished neighborhood of metropolitan Lima, local public and private institutions have struggled to institutionalize and enforce effective protections for women. IAF grantee Asociación Peruana Mujer y Familia (APMF), a women's association, works with grassroots organizations, community members, and public officials to combat and prevent violence and to secure survivors access to basic protections, care, and remedies against aggressors. APMF trained police officers from 11 police stations on responding effectively to intrafamilial violence. They also trained 639 neighborhood group members to accompany women experiencing gender-based violence. Through their door-to-door outreach program, they reached 22,245 families with information about what to do in cases of intrafamilial violence. They also launched Aló Mujer, the first telemedicine service for Peruvian and migrant women in Metropolitan Lima, attending 204 calls with trained professional health assistance and legal counseling. Finally, APMF gave scholarships to at-risk youth to study in technology education centers, to set them on a better path.

## Children and Youth

Children and youth (under age 25) represent approximately 40% of the population<sup>40</sup> and suffer disproportionately from poverty in Latin America.<sup>41</sup> The poverty incidence for children under 14 years old (47.2%) is higher than that of any other age group, and over triple the poverty incidence for adults 65 years and over.<sup>42</sup> Children and adolescents often lack adequate nutrition and access to job skills, health care, quality education, and the training to become fully productive adults.

The COVID-19 pandemic has exacerbated many of these issues.<sup>43</sup> The unemployment rate for 15–24 year-olds in Latin America and the Caribbean has reached the highest level recorded since the 1990s, at nearly 20%.<sup>44</sup> About one in four youths in Latin America neither works nor studies, creating significant risks of recruitment into transnational criminal organizations and armed groups.<sup>45</sup> For young people of working age, a major challenge is access to training, education, and professional or business experience that better prepares them for the future. At least 51% of IAF grants directly involve and benefit young people. Many grantees are working to create employment opportunities and teach children and adolescents skills that match the labor market and help them become engaged in community life.





**Example:** IAF grantee Asociación Para el Desarrollo Sostenible de la Juventud (ADESJU) changes attitudes about civic engagement and migration among the 750 participants in its network of 25 youth groups in Guatemala's Western Highlands. In the municipality of Chiantla where ADESJU is based, 77% of the population lives in poverty or extreme poverty,<sup>46</sup> and the area has become a transit point for drugs and migrants heading north. Most young people have at most a primary education and do not know how to hold local officials accountable for responding to their needs. Feeling powerless, many youths leave. Through its youth groups and teamwork development programs, ADESJU is creating opportunities for young people to become civic leaders and entrepreneurs and be more deeply rooted in their communities; some participants have gone on to become municipal public officials. The structure and stability of ADESJU's programs also helps young people avoid abusing alcohol or drugs. Young participants submitted a detailed proposal to their municipal governments for funding programs and services to address their urgent needs. As a result, the towns of Chiantla and Aguacatán established the first youth policies in Guatemala. ADESJU, the municipalities, and local businesses also established a fund to support 10 youth-led projects or businesses with up to \$1,500 each.

Young Dominicans living with HIV/AIDS face barriers to accessing health services and earning a living. IAF grantee Red Nacional de Jóvenes Viviendo Con VIH/SIDA (REDNAJCER) brings together youth organizations, young people living with HIV/AIDS, and medical institutions to improve the health care they receive. REDNAJCER patient advocates have accompanied nearly 62,000 young patients during appointments at community health centers to ensure they receive medicines and services required by law. REDNAJCER has reported on patients' quality of care to health care decision-makers. In response, decision-makers have increased local budgets for purchasing HIV drugs and patients have received better-quality, lower-priced medicine; waiting room conditions have improved; and health center managers have become more responsive with follow-ups and quality control audits on medicines and supplies. To help young people living with HIV/AIDS gain economic independence, REDNAJCER established Clean Cool, a microenterprise producing cleaning supplies. To date, they have obtained contracts to sell Clean Cool to the city council and Juan Pablo Pina regional hospital, and trained 108 young people in sales. REDNAJCER also seeks to become financially sustainable by reinvesting a portion of product sales. Of its \$25,800 net profit in 2020, it reinvested \$12,400 in growing Clean Cool while the rest went to young salespeople living with HIV/AIDS.



## African Descendants

African descendants comprise nearly 24% of the population of Latin America and the Caribbean, with poverty and extreme poverty rates approximately 60% higher than other groups.<sup>47</sup> They also face high levels of exclusion and discrimination.<sup>48</sup> People of African descent are often concentrated in the poorest urban areas in the region, where access to transportation, public services, and job opportunities is scarce and exposure to crime and violence is often widespread.<sup>49</sup>

These inequalities make African descendants more vulnerable to COVID-19, as concentration in urban centers and overcrowded housing with inadequate sanitation, water, and health services inhibit social distancing and pandemic protocols.<sup>50</sup> At least 18% of active grants in FY 2020 served these communities, making the IAF a leading partner.

**Example:** Garifuna communities, descendants of Africans and Indigenous peoples, face longstanding economic and social marginalization in Honduras, which contributes to high rates of migration out of these communities.<sup>51</sup> Garifuna organization and IAF grantee Gemelos Honduras used IAF funding to provide technical assistance, market development, and small loans to help Garifuna and Indigenous Miskitú people create viable enterprises that improve their livelihoods. Gemelos partnered with public-private entity Instituto Nacional de Formación Profesional and Cooperativa Ceibeña to establish an intensive business development training program for 110 Garifuna and Indigenous entrepreneurs in the municipalities of La Ceiba and Jutiapa. After completing the training program, Gemelos provided support to legally register their businesses and obtain operating permits. Cooperativa Ceibeña also managed a revolving loan fund to provide these businesses with credit to grow. Gemelos' partnership with the cooperative ensured sound management of the credit fund, as well as additional financial management training, access to small business fairs, and other benefits such as a scholarship program for the children of participating families. Gemelos has also partnered with local universities to obtain marketing support from students and negotiated with a television station for two hours of weekly programming to celebrate Garifuna culture and showcase their enterprises.



CACMU,  
Ecuador.  
(See page 23.)

**Example:** Young Peruvians of African descent face barriers to civic and economic participation. IAF grantee Ashanti Perú Red Peruana de Jóvenes Afrodescendientes (Ashanti Peru) promotes Afro-Peruvians' economic and social inclusion through activities aimed at strengthening the civic engagement and leadership skills of youth from impoverished districts of Lima. Ashanti Perú led a nationwide campaign encouraging people of African descent to participate in the national census that resulted in Peruvians being counted as African descendants for the first time in 2017. Ashanti Perú also mobilized Afro-Peruvian youth to encourage their communities to participate in the 2019 Household Survey. In partnership with Asociación Negra de Defensa y Promoción de los Derechos Humanos (ASONEDH), Ashanti Perú has worked with 450 young Afro-Peruvians to develop their skills to engage their local officials effectively and share what they learned in over 100 communities. As a result, 92 African-descendent youths have actively participated in local-level councils and civic engagement platforms where citizens' initiatives are discussed and funded, calling for improved education and health services. Thanks in part to Ashanti Perú's efforts, the Ministry of Education has included Afro-Peruvians' contributions to Peru's economy, history, and culture in its secondary education curriculum.





## Indigenous Peoples

For decades, the IAF has distinguished itself for its investments in Indigenous communities. Some 42 million people belong to over 800 Indigenous groups in Latin America and the Caribbean.<sup>52</sup> The extreme poverty rates are more than three times those of the non-Indigenous and non-African-descendent population.<sup>53</sup> The average income of Indigenous workers is 27% lower than that of their non-Indigenous peers.<sup>54</sup>

Indigenous peoples hold jobs that are most affected by economic impacts and have less access to health care than others in the region, making them particularly vulnerable to the impacts of the COVID-19 pandemic.<sup>55</sup> In FY 2020, at least 32% of active IAF grants supported Indigenous groups. These efforts build the capacity of Indigenous people to take full advantage of economic development opportunities while preserving cultural heritage.



**Example:** Indigenous community land rights are enshrined in Colombia's constitution, yet ethnic communities there face encroachment on their territorial rights by illegal armed actors and those who collude with them. IAF grantee Etnollano works with Indigenous groups in the Eastern Plains to forge leadership skills, recover Indigenous land management and conservation methods, and strengthen the capacity of vulnerable Indigenous groups to protect against illegal land grabbing. Etnollano has helped Indigenous groups including the Sikuaní, Sáliva, and Amerúa successfully register claims to sovereign land according to Colombian law. As a result, regional governments granted 224 families the title to 1,300 hectares of productive land they had lived on for centuries. To help Indigenous communities effectively coordinate to provide input into local development plans mandated by the Peace Accords, Etnollano supported the creation of a new regional organization of Indigenous associations. The regional organization has become a credible representative for Indigenous groups in the region and participated in national dialogues with state officials, including members of the National Land Restitution Unit, which is in charge of investigating land claims and repairing victim losses. More recently, Etnollano has contributed to reducing the spread of coronavirus among Indigenous communities by collaborating on health contingency plans in four departments.





**Example:** High rates of illiteracy, hunger, and poverty limit the ability of the Guaraní, once one of the largest Indigenous groups in Latin America, to engage in local governance and the economy. IAF grantee Associação de Cooperação Técnica para o Desenvolvimento Humano-Outro Olhar (Outro Olhar) in Brazil is working with the Popygua Solidarity Network, a veteran Guaraní organization, to expand the businesses, rights, and protections of approximately 890 Guaraní people. Outro Olhar is pairing Guaraní elders and youth to build leadership skills and teach sustainable agricultural practices to increase their harvest yields, promote environmental conservation, and diversify the nutritional content of their diets. In order to sell their produce at a premium, Otro Olhar is helping Guaraní farmers certify their sustainable methods of production with a participatory oversight process. Outro Olhar is also supporting youth entrepreneurs to expand Tembiapo, the first youth-led Guaraní business and online marketplace, which sells Guaraní handicrafts, essential oils, and jewelry.



## People with Disabilities

People with disabilities comprise 13% of the population in Latin America and the Caribbean, yet only 3% of them have access to rehabilitation services.<sup>56</sup> People with disabilities are less likely to be employed than their peers without disabilities, with employment rates 24 and 12 percentage points lower for men and women respectively.<sup>57</sup> On average, persons with disabilities earn lower wages and have lower skill levels due to exclusion in education and lower promotion rates.<sup>58</sup> School attendance of children with disabilities is 7 to 13 percentage points lower than those without, depending on the education level.<sup>59</sup> As people with disabilities are more likely to live near or under the poverty line than people without disabilities, impacts on poverty as a result of the pandemic will disproportionately affect them.<sup>60</sup> In FY 2020, the IAF managed 18 active grants that supported people with disabilities.

**Example:** Peruvians with psychosocial and intellectual disabilities face barriers to living independently. IAF grantee Sociedad y Discapacidad (SODIS) has helped these marginalized citizens exercise their legal rights and access social services that improve their quality of life. SODIS has engaged people with psychosocial or intellectual disabilities, organizational representatives, and legal and medical professionals in working groups to develop rights-based proposals and approaches. SODIS developed two pilot projects in two districts of Lima to test the efficacy of a community-based support network methodology: one with people with intellectual disabilities, in collaboration with the Peruvian Down Syndrome Society, and another with people with psychosocial disabilities, in collaboration with the Ministry of Health. The SODIS pilots have helped demonstrate that support networks strongly rooted in the community can empower persons with disabilities to exercise one of the fundamental rights of an adult: to make life decisions based on free and informed consent. In 2018, when the Peruvian government sought to bring its civil code in line with multilateral conventions on the rights of persons with disabilities, it employed a proposal for support networks developed by SODIS participants. Through consistent civic engagement, SODIS took the leading role in transforming Peru's approach to people with disabilities, from a guardianship model to supported decision-making.



## 6 | Programmatic Funding

### Country Projects Map



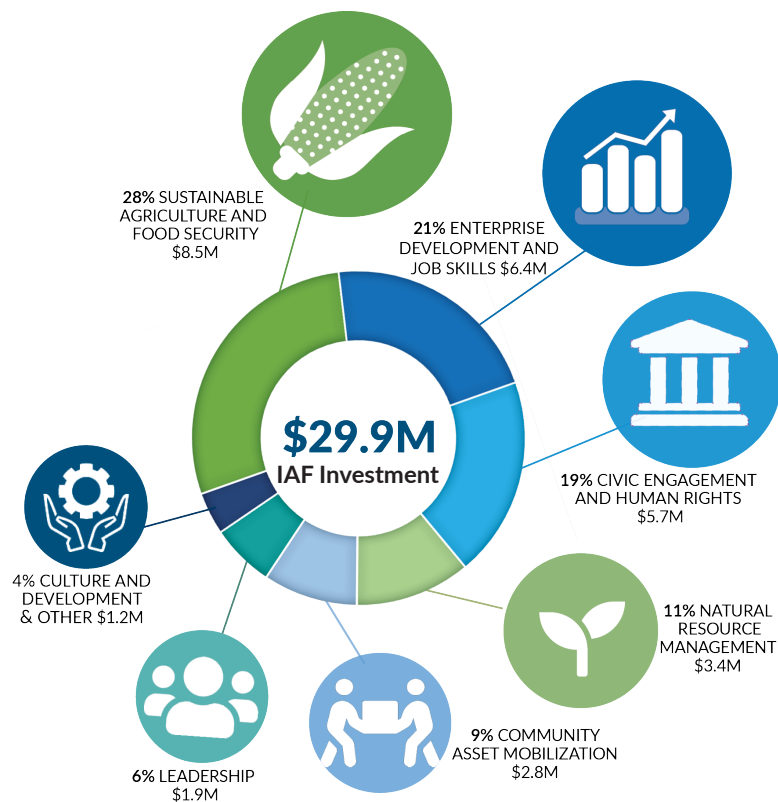
### Programmatic Funding

In FY 2020, the IAF funded 87 new grants in the amount of \$16.3 million and amended 129 ongoing projects in the amount of \$13.6 million, for a total of over \$29.9 million in grant funding in 26 countries. New grants awarded in FY 2020 averaged approximately \$214,000 over a three-year period. In addition, new IAF grantees in FY 2020 committed to contribute or raise \$34.6 million in counterpart resources. These new investments in FY 2020 brought the total program portfolio in FY 2020 to more than 330 active grants, representing an investment of approximately \$98.5 million from the IAF and \$120.4 million from grantees.

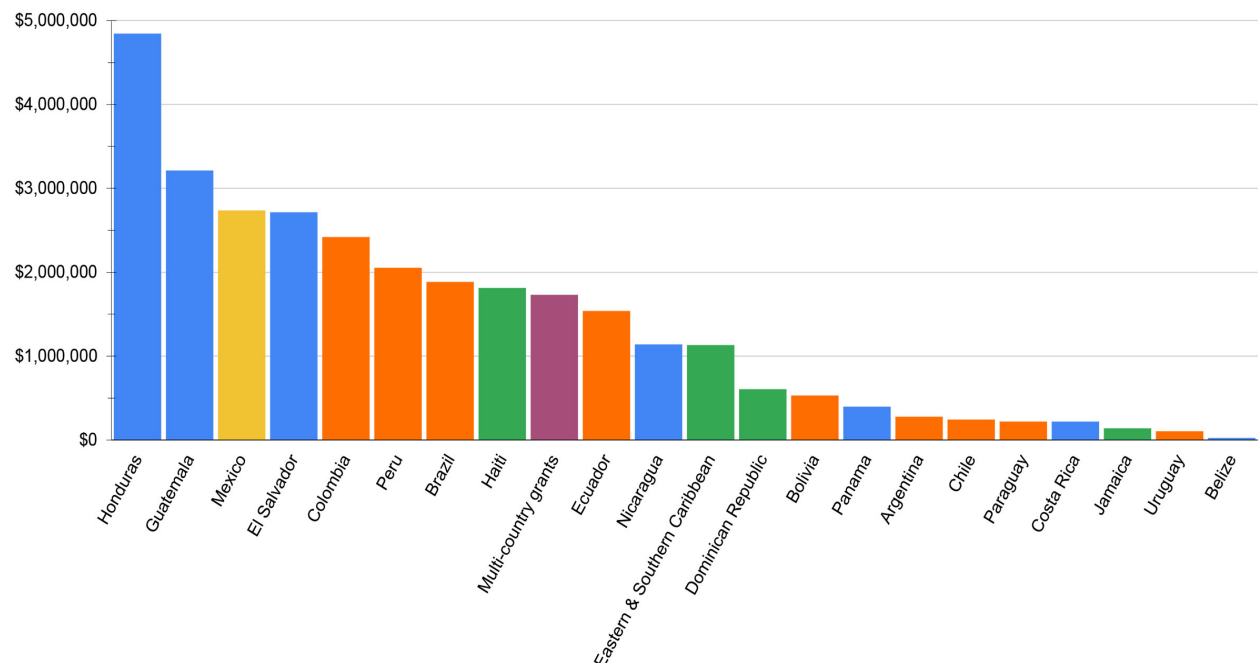


## New Grants and Supplements in Fiscal Year 2020

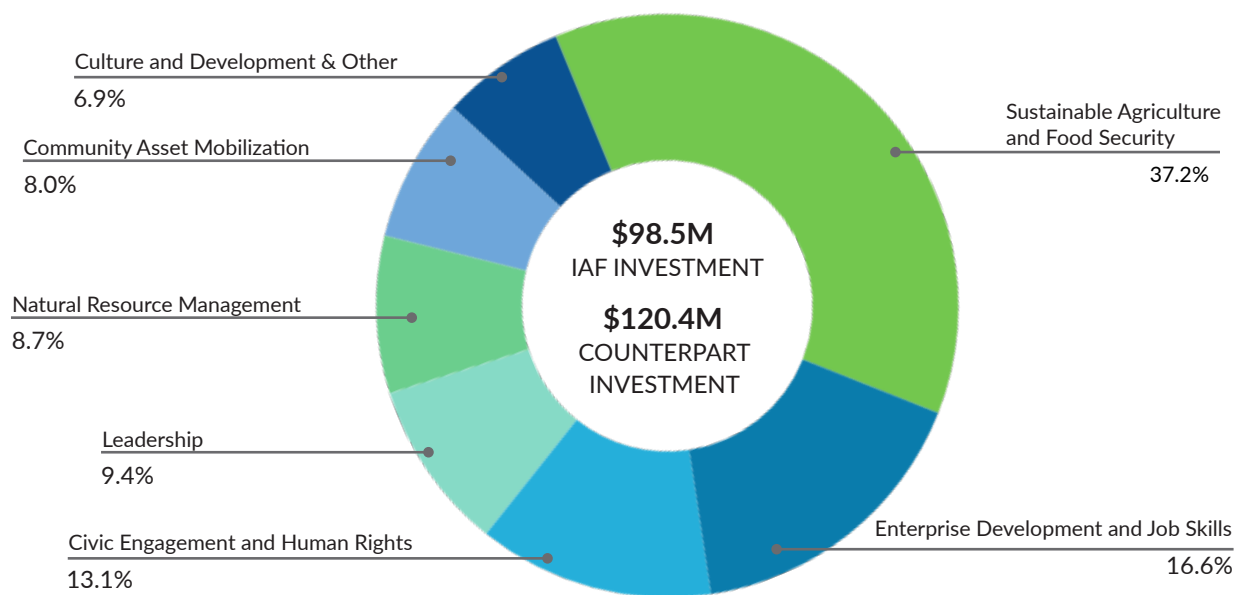
### Primary Program Areas of FY 2020 Investments



### FY 2020 New Funding by Country

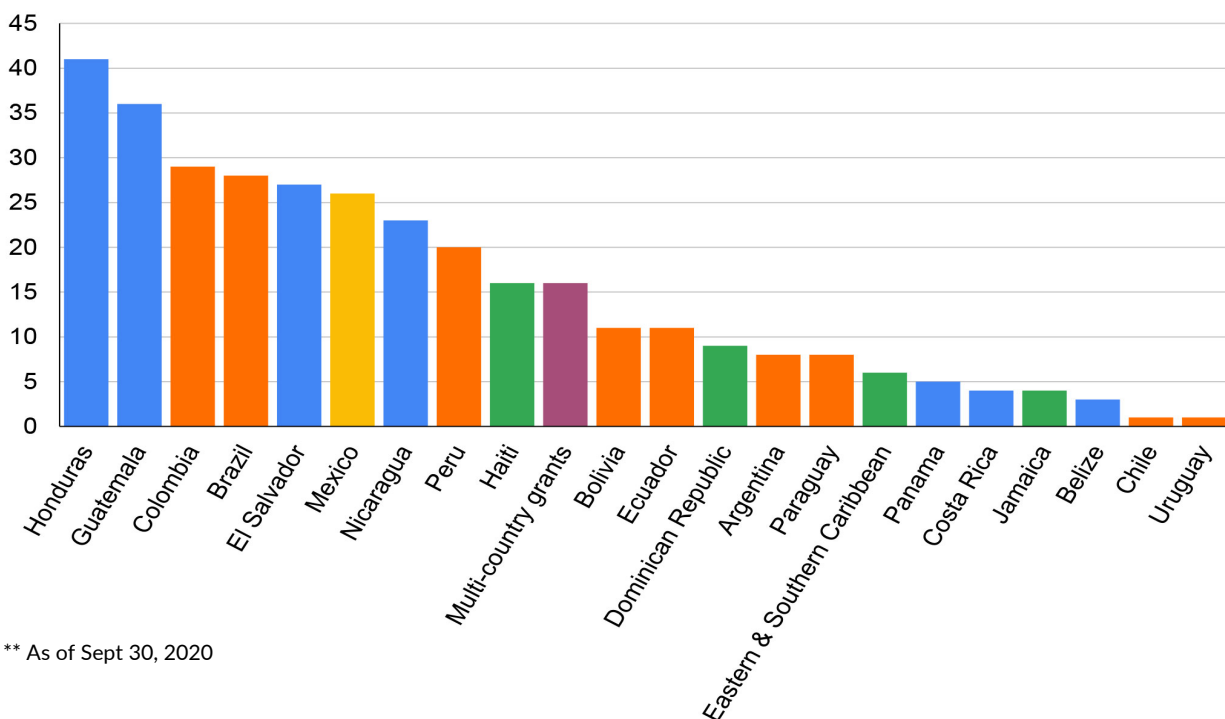


## Primary Program Area of Total Active Portfolio in Fiscal Year 2020\*



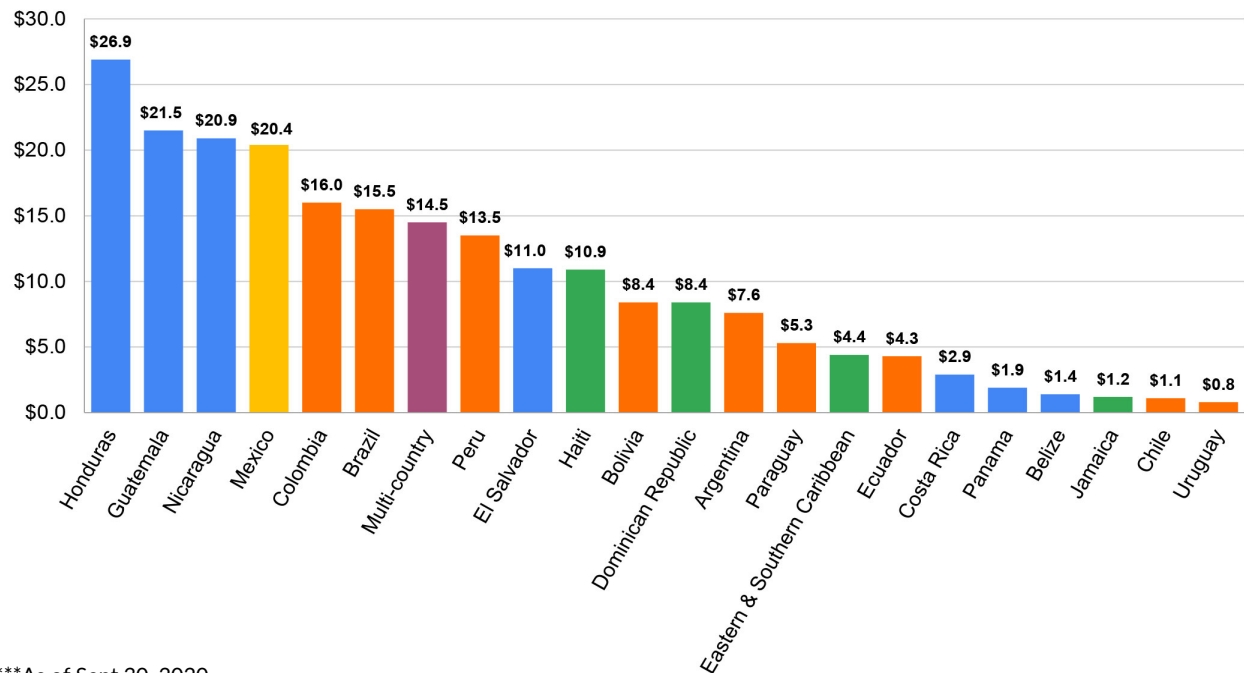
\* Includes all active grants as of Sept 30, 2020

## Number of Active Grants by Country\*\*



\*\* As of Sept 30, 2020

### IAF Investment (in Millions of USD) in Active Grants by Country\*\*\*



\*\*\* As of Sept 30, 2020



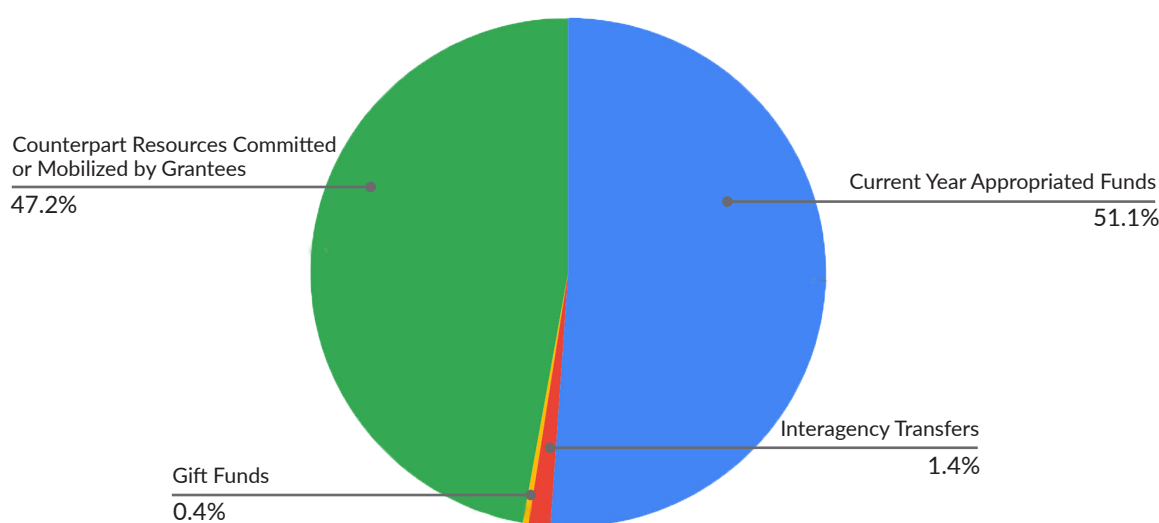


## 7 | Budget Resources

### Sources of Funds

The IAF's resources come from Congressional appropriations, interagency transfers with other federal foreign assistance agencies, donations from private funders and partners, dividends from impact investments, and the Social Progress Trust Fund (SPTF). In addition, our grantees make a significant contribution to cover the cost of the programs IAF supports.

**FY 2020: Funding Sources of Program and Operational Investments**

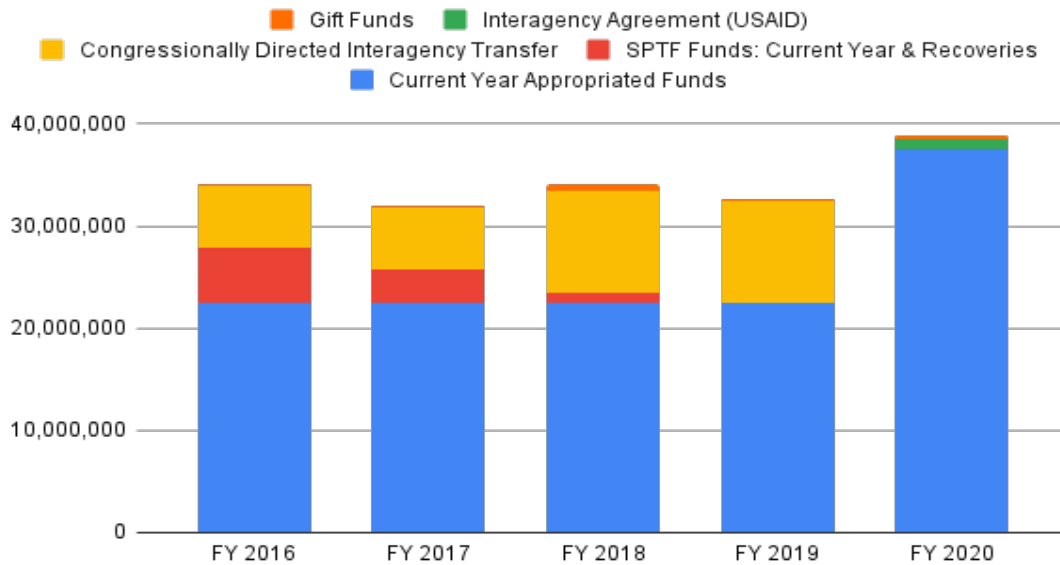


### Appropriations and Congressionally Directed Interagency Transfers

For FY 2022, the President is requesting appropriations consistent with historical IAF funding levels and the enacted FY 2021 budget. When considering both the IAF appropriation and congressionally-directed interagency transfers, the IAF's funding from Congress has remained relatively level since FY 2016. (See graph below.) Between FY 2016 and FY 2019, Congress directed the IAF to receive an annual interagency transfer to support the interagency Central America Strategy from the Development Assistance account.\* In FY 2020, rather than directing an interagency transfer to the IAF for the Central America Strategy, Congress directed the IAF to dedicate \$10 million of its appropriation to support the Strategy.

\* Of note, these interagency transfers directed by Congress arrived to the IAF in the final half of the fiscal year following the year for which they had been appropriated. For instance, the last Central America transfer of FY 2019 arrived to the IAF in late FY 2020.

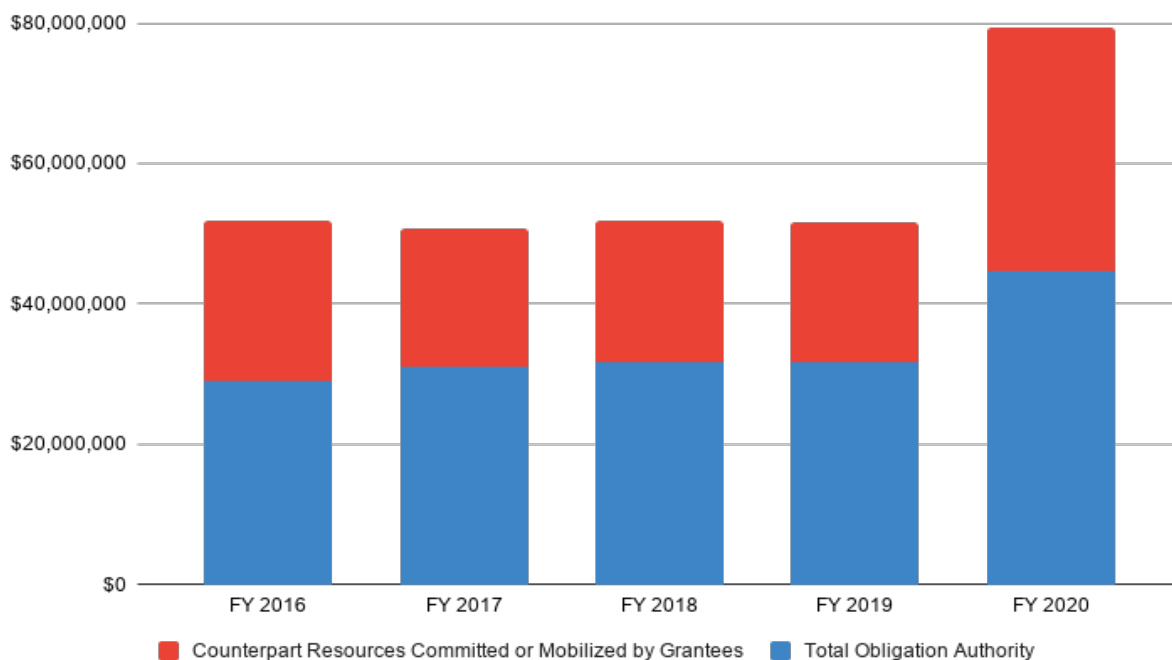
### Funding Sources by Fiscal Year



### Grantee Counterpart Contributions

Beyond appropriations, interagency transfers, gifts received from donors and partners, and SPTF, IAF grant-making is more than matched by the investment made or mobilized by our grassroots partners. On average over the last five years, our partners have committed \$1.26 of counterpart resources for every \$1.00 of IAF investment in approved grants as shown in the chart below.

### Counterpart v. IAF Funds, Fiscal Years 2016–2020



## Partnerships and Private Donations

The IAF partners with other U.S. government agencies and private sector entities—corporate and philanthropic—to increase the reach of its investments.

In FY 2020, the IAF received a \$1 million transfer from USAID as part of a three-year, \$5 million joint initiative to expand disaster resiliency programming in the small island nations of the Eastern and Southern Caribbean. The partnership—called Building Community Resilience in the Eastern & Southern Caribbean—capitalizes on our agencies' respective strengths to ensure that U.S. foreign assistance reaches the most vulnerable communities in the small island states.

The IAF also received an additional contribution of \$100,000 in FY 2020 towards the IAF's partnership with the Charles Stewart Mott Foundation to foster a strong community philanthropy sector in Mexico. Over the last eight years, a joint investment of \$2.67 million in Mexican community foundations has mobilized an additional \$10.67 million—97% Mexican in origin—benefiting 180 grassroots organizations serving 30,000 people. The IAF-Mott partnership was one of five finalists for the 2020 P3 Impact Award. The award, presented by Concordia, the U.S. Department of State, and the University of Virginia Darden School of Business, recognizes leading public-private partnerships that improve communities around the world.

The IAF also raised \$76,200 in FY 2020 through private donations. A new, three-year partnership with Danone, a global company that produces beverages and dairy and nutrition products, will work to revive the livelihoods of 4,500 recyclers severely affected by the COVID-19 pandemic in Argentina. Danone Argentina and the Danone Ecosystem Fund are contributing \$1.70 for every \$1 the IAF invests to jointly promote safe recycling as an economic activity and improve recycling systems, incomes, and working conditions in 35 cities.

The IAF partnered with the Young Americas Business Trust and the Organization of American States to launch the InnovAction Challenge—a regional competition to foster and seed business innovations put forward by more than 1,000 young entrepreneurs from 32 countries—to address the health, safety, and economic effects of COVID-19.



ODDSHA works with farmers in Haiti's Sud department to improve their production and sale of livestock.



## IAF Operating Expenses

**Table 1.1 Multi-Year Funding and Program Activities Estimates**

Source of Funds	FY 2020 Actuals	FY 2021 Operating Plan	FY 2022 Request
CY Appropriated Funds	37,500,000	38,000,000	38,000,000
PY Appropriated Funds (Carryover)	2,259,176	6,908,108	900,000
Recoveries (Appropriated)	503,102	1,147,168	800,000
Carryover to CY+1 (Appropriated)	(6,908,108)	(900,000)	(900,000)
SPTF Funds	-	1,200,000	1,200,000
Gift Funds/Interagency Transfers	11,266,939	1,000,000	1,000,000
<b>TOTAL OBLIGATION AUTHORITY</b>	<b>44,621,109</b>	<b>47,355,276</b>	<b>41,000,000</b>
<b>Grants, Investments, and Audits</b>			
Appropriated Funds	21,686,638	28,664,302	21,429,738
SPTF Funds	-	1,200,000	1,200,000
Gift Funds/Interagency Transfers	8,928,558	900,000	900,000
<b>Subtotal - Grants/Investments</b>	<b>30,615,196</b>	<b>30,764,302</b>	<b>23,529,738</b>
<b>Program Implementation Activities</b>			
Appropriated Funds	5,525,168	8,610,889	9,399,337
Gift Funds/Interagency Transfers	1,337,736	100,000	100,000
<b>Subtotal - Program Implementation Activities</b>	<b>6,862,904</b>	<b>8,710,889</b>	<b>9,499,337</b>
<b>Total Program Activities</b>	<b>37,478,100</b>	<b>39,475,191</b>	<b>33,029,075</b>
<b>Program Support Activities</b>			
Appropriated Funds	6,142,364	7,880,085	7,970,925
Gift Funds/Interagency Transfers	1,000,645	-	-
<b>Total Program Support Activities</b>	<b>7,143,000</b>	<b>7,880,085</b>	<b>7,970,925</b>
<b>TOTAL OBLIGATION</b>	<b>44,621,109</b>	<b>47,355,276</b>	<b>41,000,000</b>
Counterpart Committed or Mobilized by Grantees	34,623,937	35,280,000	29,642,155
<b>Total (including Grantee Counterpart)</b>	<b>79,245,046</b>	<b>82,635,276</b>	<b>70,642,155</b>
Program Support/Total (incl. Grantee Counterpart)	9.01%	9.54%	11.28%
Program Support/Total (excl. Grantee Counterpart)	16.01%	16.64%	19.44%
Full-Time Equivalent Usage	46	49	50

**Table 1.2 IAF Multi-Year Estimates: Detail of Object Classifications**

Object Class	Source of Funds	FY 2020 Actuals	FY 2021 Operating Plan	FY 2022 Request
PROGRAM SUPPORT				
	<b>Staff Program Support Salaries &amp; Related Expenses</b>			
11	Personnel Compensation (salaries)	2,276,359	2,528,380	2,599,251
11.5	Other Personnel Compensation	74,100	124,176	130,501
12	Civilian Personnel Benefits	851,017	797,194	885,673
13.0	Benefits to Former Personnel	-	-	-
	<b>Travel and Transportation</b>			
21	Travel and Transportation of Persons	57,301	14,300	60,000
22	Transportation of Things	-	-	2,500
	<b>Program Support Services</b>			
23.2	Rental Payments to Others*	-	-	410,000
23.3	Communications, Utilities, & Misc Charges	195,612	338,452	300,000
24	Printing and Reproduction	12,730	11,158	13,000
25.1	Management and Professional Support Services	303,781	599,401	400,000
25.1	Engineering & Technical Services (IT)	1,276,412	1,445,533	1,200,000
25.1	Staff Training	57,558	74,786	80,000
25.2	Representation Allowance	-	4,000	2,000
25.2	Miscellaneous Services	38,431	36,585	38,000
25.3	Services from Other Gov Agencies	1,634,899	1,591,772	1,650,000
25.4/25.7	Maintenance - Equipment & Facility	27,351	48,767	50,000
26	Supplies and Materials	46,444	43,603	50,000
31/32	Equipment & Leasehold Improvements	291,014	221,978	100,000
	<b>Total Program Support</b>	<b>7,143,009</b>	<b>7,880,085</b>	<b>7,970,925</b>
PROGRAM IMPLEMENTATION ACTIVITIES				
	<b>Staff Program Salaries &amp; Related Expenses</b>			
11	Personnel Compensation (salaries)	2,817,118	3,254,223	3,363,717
11.5	Other Personnel Compensation	2,985	2,000	2,500
12	Civilian Personnel Benefits	997,742	1,173,828	1,223,120

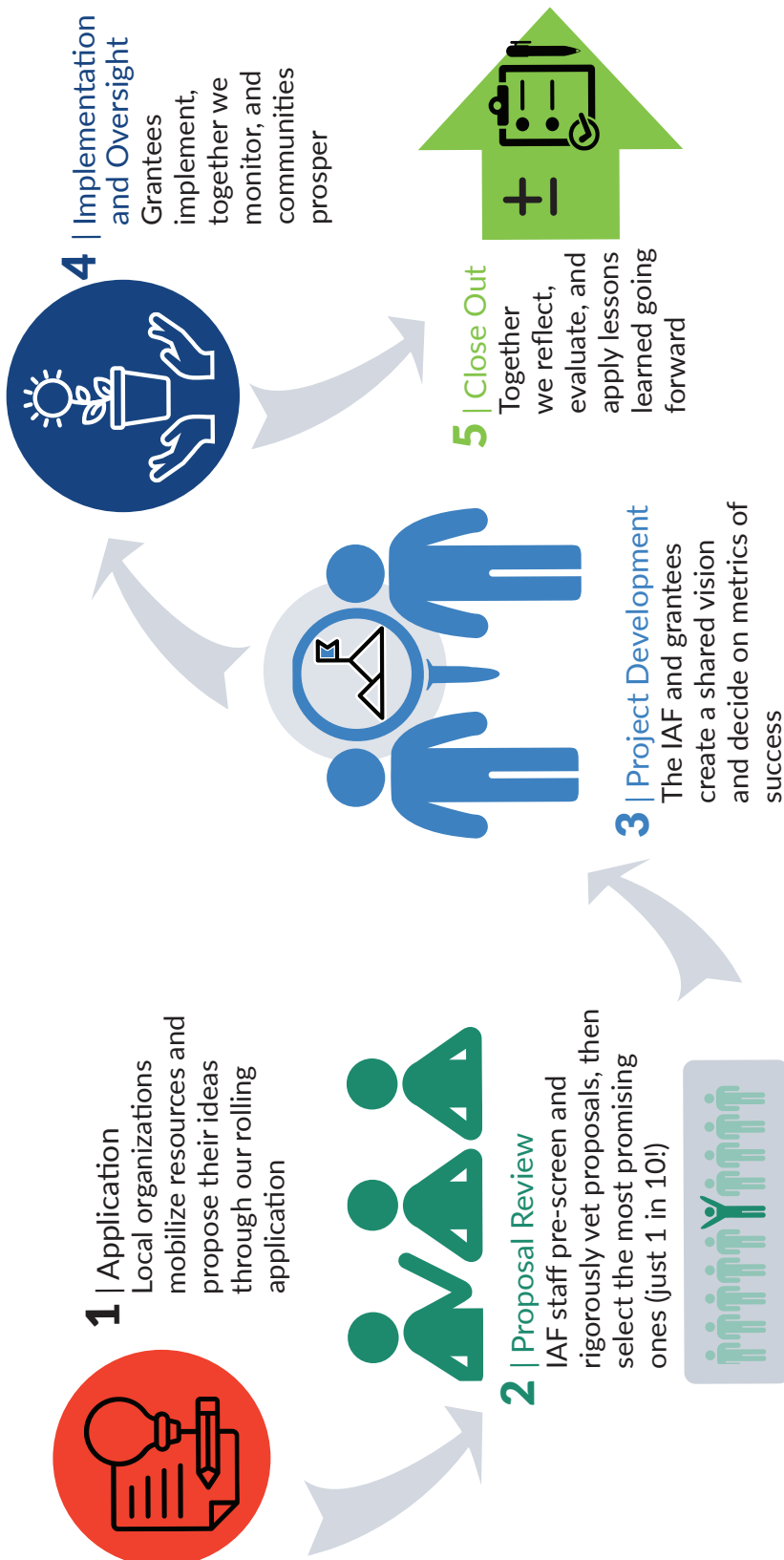
	<b>Travel &amp; Other Program Implementation Costs</b>			
21	Travel and Transportation of Persons	160,648	86,500	250,000
23.2	Rental Payment to Others*	-	-	315,000
	<b>Learning &amp; Dissemination</b>			
25.1	Studies & Evaluations	35,155	20,000	40,000
25.1	Fellowship Program	-	350,000	350,000
25.1	Translations & Other Services	104,932	214,610	105,000
	<b>Technical Assistance to Grantees</b>			
25.1	Local Advisory Service (LLAS)	1,978,764	2,468,035	2,600,000
25.1	Data Verifiers (DV)	455,665	991,693	1,050,000
25.1	Program Conference Support	309,895	150,000	200,000
	<b>Subtotal - Program Implementation</b>	<b>6,862,904</b>	<b>8,710,889</b>	<b>9,499,337</b>
	<b>Grants &amp; Investments</b>			
41	Grants/Grant Audits	30,615,196	30,764,302	23,529,738
	<b>Total Program Activities</b>	<b>37,478,100</b>	<b>39,475,191</b>	<b>33,029,075</b>
	<b>Total Program Support and Program Activities</b>	<b>44,621,109</b>	<b>47,355,276</b>	<b>41,000,000</b>
	Counterpart Committed or Mobilized by Grantees	82,099,209	86,830,467	74,029,075
	<b>Total (including Grantee Counterpart)</b>	<b>126,720,318</b>	<b>134,185,743</b>	<b>115,029,075</b>
	Ratios:			
	Program Support/Total (incl. Grantee Counterpart)*	5.64%	5.87%	6.93%
	Program Support/Total (excl. Grantee Counterpart)*	16.01%	16.64%	19.44%
	Full-Time Equivalent Usage	46	49	50



## 8 | Appendix: The IAF Grantmaking Process

### LASTING IMPACT

The IAF's unique model of grantmaking empowers local communities and facilitates impactful and cost-effective development initiatives in Latin America and the Caribbean.



IAF accepts applications and partner with grantees in FIVE languages: English, Spanish, Portuguese, French, and Haitian Kreyol

### FY 2020 SNAPSHOT

\$29.9 million IAF INVESTMENT

\$34.6 million COUNTERPART COMMITMENT

## Endnotes

- 1 Center for Effective Philanthropy, Inter-American Foundation 2020 Grantee Perception Report, Page 57, October 20, 2020.
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- 3 ECLAC, [Social Panorama of Latin America 2020](#), Page 59, March 2021.
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- 6 "[Venezuela Regional, Global Humanitarian Overview 2021](#)," United Nations Office for the Coordination of Humanitarian Affairs.
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- 9 85% of active IAF grantees responded to the Center for Effective Philanthropy's Grantee Perception Report survey in June and July 2020.
- 10 Center for Effective Philanthropy, Page 26.
- 11 Center for Effective Philanthropy, Pages 52-53.
- 12 Center for Effective Philanthropy, Page 56.
- 13 Center for Effective Philanthropy, Page 15.
- 14 "[Pandemic Prompts Rise in Poverty to Levels Unprecedented in Recent Decades and Sharply Affects Inequality and Employment](#)," ECLAC, March 4, 2021.
- 15 Center for Effective Philanthropy, Page 53.
- 16 "[Chiapas fue el estado con mayor rezago social en 2020: Coneval](#)," Forbes, April 26, 2021.
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- 30 Figure for 2019 from [“Femininity index of poor households,”](#) ECLAC.
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- 32 ILO, [2019 Labor Overview Executive Summary](#), Page 5.
- 33 Figure for 2017 from ECLAC, [Women's Autonomy in Changing Economic Scenarios](#), Page 35, December 30, 2019.
- 34 [“Financing for Women Entrepreneurs, Key for Economic Recovery,”](#) Inter-American Development Bank | Invest, August 14, 2020; Daniel Halim, [“Women entrepreneurs needed—stat!”](#) World Bank Blogs, March 5, 2020.
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- 38 Secretaría de Seguridad y Protección Ciudadana, [Información sobre violencia contra las mujeres \(Incidencia delictiva y llamadas de emergencia 9-1-1\)](#), Page 14, March 31, 2021.
- 39 Agencia EFE, [“Denuncias por violencia de género se incrementaron 130% en el 2020 en Perú,”](#) Gestión, March 8, 2021.
- 40 [“World Population Prospects 2019 Data Query,”](#) UN Department of Economic and Social Affairs.
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